

CHAMBER OF SHIPPING
OF THE
UNITED KINGDOM

1918—1919



ANNUAL REPORT

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CHAMBER OF SHIPPING OF THE UNITED KINGDOM

1918-19.

ANNUAL REPORT AND REPORT OF PROCEEDINGS OF THE FORTY-SECOND ANNUAL MEETING

ANNUAL REPORT OF THE SHIPOWNERS'
PARLIAMENTARY COMMITTEE.

LONDON: WITHERBY & CO.

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FORMER PRESIDENTS

OF THE

Chamber of Shipping of the United Kingdom.

- 1878—HENRY JOHN FARMER-ATKINSON, Esq., M.P. (Hull).
1879—JOHN WILLIAMSON, Esq. (Liverpool).
1880—SIR JOHN GLOVER (London).
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1896—WALTER GLYNN, Esq. (Liverpool).
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1909—CHARLES E. BRIGHTMAN, Esq. (London).
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1914—JAMES H. WARRACK, Esq. (Leith).
1915—SIR KENNETH S. ANDERSON, K.C.M.G. (London).
1916—SIR WILLIAM RAEBURN (Glasgow).
1917—SIR WILLIAM RAEBURN (Glasgow).
1918—RT. HON. LORD INCHCAPE, G.C.M.G., K.C.S.I., K.C.I.E



CHAMBER OF SHIPPING OF THE UNITED KINGDOM.

1919-20.

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Vice-President:

W. J. NOBLE, Esq.

Council:

Ex-Officio:

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THE VICE-PRESIDENT: W. J. NOBLE, Esq.

THE EX-PRESIDENT: SIR WILLIAM RAEBURN, M.P.

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General Manager, Shipping Federation: CUTHBERT LAWS, Esq.

Chairman, Advisory Committee to Board of Trade on New Lighthouse Works; F. C. GARDINER, Esq.

Chairman, Documentary Committee: SIR ERNEST GLOVER.

Vice-Chairman, Documentary Committee: W. H. TURNER, Esq.

Co-opted: SIR KENNETH ANDERSON, Bart., K.C.M.G.

J. HERBERT SCRUTTON, Esq.

J. STANLEY TODD, F.S.A.

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H. R. MILLER, Esq.	LONDON.
SIR JAMES MILLS, G.C.M.G.	LONDON.
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DANIEL RADCLIFFE, Esq.	CARDIFF.
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DOUGLAS W. STOBART, Esq.	LONDON.
R. B. STOKER, Esq.	MANCHESTER.
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JAS. EMERY TULLY, Esq.	NEWCASTLE-ON-TYN
SIR JAMES H. WARKACK, K.B.E. ..	LEITH.
W. W. C. WARWICK, Esq.	LONDON.
SIR J. BOWRING WIMBLE	LONDON.
J. A. YOUNG, Esq.	LONDON.

MEMBERS OF THE CHAMBER.

Local Shipowners' Societies as under.

SOCIETY.	OFFICES.	ANNUAL SUBSCRIP- TIONS.	REPRESENTATIVES ON COUNCIL.
LONDON GENERAL SHIPOWNERS' SOCIETY. Chairman : Capt. H. B. Hooper. Secretary : The Hon. Noel M. Farrer.	5, Whittington Avenue, London, E.C.3.	42	Sir Frederick Lewis, Bart. Howard Houlder, Esq.
LIVERPOOL SHIPOWNERS' ASSOCIATION. Chairman : Ernest Cook, Esq. Secretaries : Messrs. Weightman, Pedder & Co.	18, Water Street, Liver- pool.	21	Ernest Cook, Esq.
CLYDE STEAM SHIPOWNERS' ASSOCIATION. Chairman : S. C. Hogarth, Esq. Secretary : Walter Patterson, Esq.	94, Hope Street, Glasgow.	42	S. C. Hogarth, Esq. W. F. Robertson, Esq.
GLASGOW SHIPOWNERS' ASSOCIATION. Chairman : Lord Inverclyde. Secretary : J. A. Mackenzie, Esq.	150, St. Vincent Street, Glasgow.	21	Thomas Prentice, Esq.
NORTH OF ENGLAND STEAM SHIPOWNERS' ASSOCIATION. Chairman : George Renwick, Esq., M.P. Secretary : Wm. R. Lord, Esq.	6, Sandhill, Newcast- le-on-Tyne.	42	Geo. Renwick, Esq., M.P. R. S. Dalglish, Esq.
CARDIFF AND BRISTOL CHANNEL INCORPORATED SHIP- OWNERS' ASSOCIATION. Chairman : Lewis Lougher, Esq. Secretary : W. R. Hawkins, Esq.	Exchange Buildings, Cardiff.	42	Daniel Radcliffe, Esq. Lewis Lougher, Esq.
SUNDERLAND SHIPOWNERS' SOCIETY. Chairman : Arthur Ritson, Esq. Secretary : Charles Booth, Esq.	44, Frederick Street, Sunderland.	21	Arthur Ritson, Esq.
LEITH SHIPOWNERS' SOCIETY. Chairman : James Currie, Esq. Secretary : James Cormack, Esq.	17, John's Place, Leith.	21	James Currie, Esq.

MEMBERS OF THE CHAMBER—(Contd.).

Local Shipowners' Societies as under—(Contd.).

SOCIETY.	OFFICES.	ANNUAL SUBSCRIPTIONS.	REPRESENTATIVES ON COUNCIL.
MANCHESTER STEAM SHIPOWNERS' ASSOCIATION. Chairman: George Renwick, Esq., M.P. Secretary: A. A. Ashton, Esq.	16, Albert Square, Manchester.	£ 21	Captain W. C. Bacon.
BELFAST SHIPOWNERS' ASSOCIATION. Hon. Secretary: J. A. M. Heyn, Esq.	Belfast.	21	Sir William Corry, Bart.
BRISTOL STEAM SHIPOWNERS' ASSOCIATION. Chairman: John Fowler, Esq. Secretary: A. S. Ray, Esq.	18, St. Augustine's Parade, Bristol.	21	H. Wynne Jones, Esq.
Tees DISTRICT AND WHARF SHIPOWNERS' ASSOCIATION. Chairman: Joseph Constantine, Esq. Secretary: B. O. Davies, Esq.	Middlesbrough.	21	J. H. Harrowing, Esq.
THE HARTLEPOOL SHIPOWNERS' SOCIETY. Chairman: Lt.-Com. J. H. Ropner. Secretary: William Allen, Esq.	West Hartlepool.	21	John H. Ropner, Esq., J.P., D.L.
HULL INCORPORATED CHAMBER OF COMMERCE AND SHIPPING. Chairman of Shipping Section: Capt. H. Samman. Secretary: A. Whitehead, Esq.	Hull.	21	Captain Henry Samman.
NEWPORT SHIPOWNERS' ASSOCIATION. Chairman: E. L. Melville Heard, Esq. Hon. Secretary: Griffith J. Jones, Esq.	Newport, Mon.	21	E. L. Melville Heard, Esq.
SWANSEA CHAMBER OF COMMERCE AND SHIPPING. Chairman: W. Turpin, Esq. Secretary: Henry J. Marshall, Esq.	Swansea.	21	W. Turpin, Esq.

Protection and Indemnity Clubs and Owners of British Tonnage therein, except Tonnage entered direct.

ASSOCIATION.	HEAD OFFICE.	TONNAGE (GROSS).	REPRESENTATIVES ON COUNCIL.
WEST OF ENGLAND STEAMSHIP OWNERS PROTECTION AND INDEMNITY ASSOCIATION, LIMITED.	1 Lloyd's Avenue, E.C.3.	1,299,113	{ F. C. Allen, Esq. Joseph Constantine, Esq. Alfred Robinson, Esq., J.P. Rt. Hon. Lord Glanely. Sir J. Bowring Wimble
NORTH OF ENGLAND PROTECTING AND INDEMNITY ASSOCIATION.	Collingwood Buildings, Newcastle-on-Tyne	1,241,747	{ R. J. Dunlop, Esq. T. F. Harrison, Esq. Sir William Seager, M.P. Daniel Stephens, Esq. Sir James H. Warrack, K.B.E.
UNITED KINGDOM MUTUAL STEAM SHIP ASSURANCE ASSOCIATION.	24, St. Mary Axe, E.C.3	757,401	{ W. Smith, Esq. H. R. Miller, Esq. Sir Walter Runciman, Bart.
STANDARD STEAMSHIP OWNERS PROTECTION AND INDEMNITY ASSOCIATION, LIMITED.	9 & 11, Fenchurch Avenue, E.C.3	677,020	{ R. B. Stoker, Esq. Chas. T. Milburn, Esq.
LONDON STEAM SHIP OWNERS MUTUAL INSURANCE ASSOCIATION, LIMITED.	23, Rood Lane, E.C.3.	761,617	{ Kenneth L. Bilbrough, Esq. Alfred Sale, Esq. J. W. Little, Esq.
BRITANNIA STEAM SHIP INSURANCE ASSOCIATION, LIMITED	17, Gracechurch Street, E.C.3.	315,035	Douglas W. Stobart, Esq.
NEWCASTLE PROTECTION AND INDEMNITY ASSOCIATION.	4, Queen Street, Newcastle-on-Tyne.	153,089	W. J. Noble, Esq.
SUNDERLAND STEAM SHIP PROTECTING AND INDEMNITY ASSOCIATION.	45, West Sunnyside, Sunderland.	91,678	F. Walford Common, Esq.

MEMBERS OF THE CHAMBER—(Contd.).

Defence Clubs.

CLUB.	HEAD OFFICE.	ANNUAL SUBSCRIP- TIONS.	£	REPRESENTATIVES ON COUNCIL.
BRITISH STEAMSHIP OWNERS' ASSOCIATION.	26, St. Thomas Street, Sunderland.	21		A. M. Sutherland, Esq.
BRITISH STEAMSHIP SHORT TRADES ASSOCIATION.	Milburn House, Newcastle-on-Tyne	21		Jas. Emery Tully, Esq.
STANDARD SHIPOWNERS' FREIGHT, DEMURRAGE AND DEFENCE ASSOCIATION.	9 & 11, Fenchurch Avenue, E.C.3.	21		T. W. Noad, Esq.
UNITED SHIPOWNERS' FREIGHT, DEMURRAGE AND PROTECTIVE ASSOCIATION.	52, John Street, Sunderland.	21		W. W. C. Warwick, Esq.
WEST OF ENGLAND STEAMSHIP OWNERS PROTECTION AND INDEMNITY ASSOCIATION.	1, Lloyd's Avenue, E.C.3.	21		F. A. Holman, Esq.
BRITISH SHIPOWNERS' MUTUAL PROTECTION AND INDEMNITY ASSOCIATION.	23, Rood Lane, E.C.3.	21		(See under Sailing Ship Owners Association.)
CLYDE SAILING SHIP OWNERS' ASSOCIATION	94, Hope Street, Glasgow	—		(See under Sailing Ship Owners).
SAILING SHIP OWNERS : SPECIAL REPRESENTATION ON COUNCIL.		63		J. W. Eason, Esq. W. A. Jenkins, Esq. J. A. Young, Esq.

Special Associations.

ASSOCIATION.

SHIPPING FEDERATION.

Chairman: Sir F. Shadforth Watts.
General Manager: Cuthbert Laws, Esq.

LONDON SHORT SEA TRADERS' ASSOCIATION.

Chairman: Captain H. B. Hooper.
Secretary: Lt.-Col. E. R. Cooper.

OFFICES.

24, St. Mary Axe, E.C.3.

Cuthbert Laws, Esq.

21, Mincing Lane, E.C.3

Captain H. B. Hooper.

REPRESENTATIVES ON COUNCIL.

GROUPS: Shipowners entering their Tonnage direct.

NAME.

TONNAGE (GROSS).

PENINSULAR AND ORIENTAL GROUP:

Peninsular and Oriental Steam Navigation Company
Peninsular and Oriental Branch Line
British India Steam Navigation Company
New Zealand Shipping Company, Limited
Federal Steam Navigation Company
James Nourse, Limited
Hain Steamship Company, Limited
Mercantile Steamship Company, Limited
Union S.S. Company of New Zealand

283,227
51,036
572,911
113,376
97,934
23,516
103,322
21,061
213,266

I. M. Shields, Esq.
Sir Duncan Carmichael.
Sir James Mills, K.C.M.G.
C. J. Cowan, Esq.
George T. Haycroft, Esq.
W. Langridge, Esq.

MEMBERS OF THE CHAMBER—(Contd.).

Groups :—(Contd.).

NAME.	TONNAGE (GROSS).	REPRESENTATIVES ON COUNCIL.
ROYAL MAIL GROUP :		
Royal Mail Steam Packet Company	265,713	{ Sir Owen Philipps, G.C.M.G., M.P. Thomas Rome, Esq. Arthur Cook, Esq. J. W. Clark, Esq. A. Hunt, Esq.
Union-Castle Mail Steamship Company, Limited	282,446	
Pacific Steam Navigation Company	159,609	
Lampport and Holt, Limited	196,013	
H. and W. Nelson, Limited	70,616	
Glen Line, Limited	32,652	
Elder, Dempster and Company, Limited	57,905	
(Inc. British and African S.S. Company, Limited)		
Elder Line, Limited	33,913	
African Steamship Company	49,657	
Imperial Direct Line, Limited	26,903	1,232,493
Coast Lines, Limited	16,460	
British and Irish Steam Packet Company, Limited	3,222	
Moss Steamship Company, Limited	19,024	
King Line, Limited (including "Don Caesar" managed by Geo. Dodd, 3655)	11,676	
Tedcastle, McCormick and Company, Limited	4,758	
City of Cork Steam Packet Company, Limited	1,926	
FURNESS WITHY GROUP :		
Furness Withy and Company, Limited	145,525	{ R. Dodsworth, Esq. R. Sargeant, Esq.
Gulf Line, Limited	41,336	
Norfolk and North American Steam Ship Company, Limited	30,183	
Portuguese Steamers	49,547	
Rio Cape Line, Limited	46,621	
British and Argentine Steam Navigation Company Limited.	22,376	
Johnston Line, Limited	51,029	
Neptune Steam Navigation Company, Limited	31,629	
G. Warren and Company, Limited (White Diamond S.S. Co. Ltd.)	11,009	
Hessler Steam Ship Company, Limited	1,840	
London Welsh Steamship Company, Limited	1,386	589,533
Furness Withy and Company, Limited (Newcastle)	5,930	
Prince Line, Limited	151,122	

THE CLAN LINE STEAMERS, LIMITED. 278,863 Lt.-Com. A. B. T. Cayzer, R.N

ELLERMAN GROUP:

Ellerman and Bucknall Steamship Company, Limited
Ellerman's Wilson Line, Limited
Wilson's and North Eastern Railway Shipping Company, Limited
Westcott and Laurence Line, Limited
City of Oran Steamship Company Limited
Barcelona Steamship Company Limited

99,002
116,530
5,852
5,218
27,693
4,372

L. C. Harris, Esq.

HOULDER BROTHERS GROUP:

Houlder Line, Limited
Empire Transport Company, Limited
British Empire Steam Navigation Company, Limited
Furness, Houlder Argentine Lines, Limited

47,507
62,986
22,692
40,934

174,119

SHAW, SAVILL & ALBION COMPANY, LIMITED

122,956

ORIENT STEAM NAVIGATION COMPANY, LIMITED

60,170

GEO. THOMPSON & COMPANY, LIMITED.

53,042

PRENTICE SERVICE AND HENDERSON.

38,470

DONALDSON LINE, LIMITED.

30,904

SORUTTON SONS AND COMPANY

20,467

SUMMARY.

MEMBERS.

TONNAGE
(GROSS).

SUBSCRIPTIONS

16	Local Shipowners' Societies	..	..	..	—	£420
8	Protecting and Indemnity Clubs	..	..	..	5,296,700	—
7	Defence Clubs	..	..	..	—	—
1	Sailing Ship Representation	..	..	..	—	63
2	Other Associations	—	21
56	Shipowners entering direct	4,340,383	—
90					9,637,083	£504

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THE Chamber of Shipping of the United Kingdom

The forty-second annual meeting of the Chamber of Shipping of the United Kingdom was held on Friday, 14th March, 1919, at the Skinners' Hall, Dowgate Hill, E.C. SIR WILLIAM H. RAEBURN, M.P., was in the chair in the absence, through illness, of the President, Lord Inchcape.

Among those present were the following :—

Sir Kenneth Anderson, K.C.M.G. (London), Mr. F. C. Allen (London), Lieutenant-Commander A. B. T. Cayzer, R.N. (London), Mr. H. S. Cayzer (London), Sir Thomas Devitt, Bart. (London), Sir John Ellerman, Bart. (London), Mr. J. Howard Glover (London) Mr. Cedric H. Glover (London), Mr. L. C. Harris (London), Captain H. B. Hooper (London), Mr. F. A. Holman (London), Mr. Howard Houlder (London), Mr. J. W. Little (London), Mr. Cuthbert Laws (London), Mr. H. R. Miller (London), Mr. T. W. Noad (London), Sir Owen Philipps, G.C.M.G., M.P. (London), Mr. Arthur Serena (London), Mr. I. M. Shields (London), Mr. D. W. Stobart (London), Mr. F. Shadforth Watts (London), Mr. A. R. Woods (London), Mr. Lewis Lougher (Cardiff), Mr. Thomas H. Mordey (Cardiff), Sir William H. Seager, M.P. (Cardiff), Mr. J. Colvin Watson (Cardiff), Mr. W. A. Jenkins (Swansea), Mr. W. Turpin (Swansea), Mr. Ernest Cook (Liverpool), Captain W. C. Bacon (Manchester),

Mr. McNaughton Mein (Newcastle), Mr. F. Miller (Newcastle), Mr. W. J. Noble (Newcastle), Mr. G. Renwick, M.P. (Newcastle), Sir Walter Runciman, Bart. (Newcastle), Mr. R. M. Sutton (Newcastle), Mr. D. Stephens (Newcastle), Mr. A. Munro Sutherland (Newcastle), Mr. J. Stanley Todd (Newcastle), Mr. J. Emery Tully (Newcastle), Mr. Arthur Ritson (Sunderland), Mr. T. H. Stone (Sunderland), Mr. J. W. Eason (Grimsby), Mr. W. Cuthbert (Glasgow), Mr. Robert J. Dunlop (Glasgow), Mr. L. C. Hogarth (Glasgow), Mr. W. Patterson (Glasgow), Mr. J. Denholm (Greenock), Mr. R. A. Somerville (Leith), Sir James Warrack, K.B.E. (Leith), Sir William Corry, Bart. (Belfast), Mr. F. L. Heyn (Belfast).

1918-19.

REPORT OF THE COUNCIL OF THE
CHAMBER OF SHIPPING OF THE
UNITED KINGDOM.

THE past year has been of peculiar interest and difficulty, covering the last phases of hostilities in the Great World War, when the efforts of Great Britain and the Powers associated with her culminated in the colossal accession of strength before which the resistance of the enemy broke down. In this effort the highest point of control of shipping was reached, involving great sacrifice of British trade throughout the world. With the conclusion of hostilities began the period of demobilisation not only of the naval and military forces but of industry. In both circumstances considerable call is made upon Associations such as this, and it will be found that the best attempt has been made to deal with the problems presented during the year by each phase. The good attendance at the meetings of the Council has been remarkable and the number and variety of subjects dealt with almost equally remarkable. Something like 125 subjects have been dealt with during the year, necessitating the devolution on Committees of a great deal of work. It will be found possible to deal only with some of the more important matters in our report.

The work of reconstruction commenced in 1916 has been continued. Several lines not previously members of the Chamber have joined and in other

ways the Chamber is becoming more fully representative of the great shipping industry of the country.

There has been some increase in the staff, including the addition of a statistician, and, as an experiment, of a Publicity adviser—statistical and publicity departments being added.

The Chamber has taken over documentary work hitherto undertaken by a separate Documentary Committee. This will in future be administered by the executive of the Chamber under the direction of a special Documentary Committee of the Council.

The Chamber has continued to render every possible assistance to the Government, especially to the Ministry of Shipping, the Admiralty and the Board of Trade, and a great number of the members of the Chamber, including a large number of the Council, have devoted the whole or a great part of their time in direct services for the Government, and the King has been pleased to recognise these services by conferring honours upon certain members of the Chamber.

ARMISTICE.

In terms laid down by Marshal Foch on behalf of the Allies, an armistice was signed on November 11th, 1918, and hostilities dating back, so far as this country is concerned, to August 4th, 1914, when Great Britain declared war on Germany, were thenceforth stayed. Thus ended victoriously a conflict in which the British mercantile marine played a glorious and ever memorable part. By general consent, it was the existence of our vast and well-equipped merchant fleet which saved the situation for our Island Empire in a struggle of

unprecedented magnitude, conducted by the enemy both on land and sea with unparalleled ferocity and destructiveness.

The Admiralty, immediately after the signing of the armistice, addressed a letter to the Chamber, expressing their admiration of and thanks to the owners, masters, officers, and crews of the mercantile marine, and those engaged in the fishing industry, for their incomparable services—services making victory possible and complete. It was declared that without the loyal co-operation of the mercantile marine the enemy's submarine campaign must inevitably have achieved its object, and that this form of warfare was met with a total disregard of danger and death. Acknowledgment was made of the interest taken by owners in the defensive equipment of their ships, of the loyal observance by masters and officers of the Admiralty's navigation regulations, and of the ability displayed in connection with the successful utilisation of the convoy system.

The Shipping Controller (Sir Joseph Maclay) in a similar manner acknowledged his great indebtedness to shipowners for meeting all his demands and for placing freely at the disposal of the nation their own services and the services of the great organisations they had built up at home and abroad. The country, he said, was grateful for the way in which shipowners organised and got the utmost carrying power out of the trading ships which formed the convoys. "Without your ships, without your skill and knowledge, and without your hard and anxious work, the nation could never have been fed, and the armies of the United States could never have been placed in the field at the right time and in the right place. The British mercantile marine has indeed played its part in winning the war."

BELGIAN TRADE COMMITTEE.

Meetings of owners interested in the Belgian trade have taken place during the year and various steps have been taken to deal with shipping in Belgium.

On representations being made to the Shipping Controller, on behalf of the Short Sea Traders, he undertook to do his best to release one ship per Line to the Companies interested.

Particulars of the requirements of all owners in regard to quay berths at Antwerp have been collected and dealt with.

The Belgian Trade Committee has not yet reported.

BLUE BOOK RATES.

Owing to the heavy increase in working expenses it was found that many owners were unable to earn anything like their pre-war profits while some were running at an actual loss. As the result of a Report issued by Accountants appointed by the Ministry of Shipping and the Chamber respectively, the members of the Blue Book Rates Committee submitted to the Ministry of Shipping a revised scale which was considered equitable under the circumstances. On the 17th of May, 1918, a letter was received from the Ministry of Shipping agreeing to the scale put forward by the Committee. This scale dealt with all vessels of the tramp class above 300 tons gross register. The Shipping Controller expressed his inability to accept the recommendation of the Committee that the Government should

assume liability for war risk calls made by various clubs in respect of requisitioned ships entered by the owners in those clubs. The letter also contained a promise to reconsider the question of payment for unmeasured spaces.

The Committee felt that while the revised rate payable to requisitioned steamers was quite satisfactory, changes of detail should be made with respect to some of the minor questions under consideration. The question of payment for unmeasured spaces has caused considerable difficulty, but an arrangement has ultimately been concluded with the Ministry of Shipping, which is considered satisfactory by most of the owners concerned. A new scale supplementing that granted to vessels of 300 tons gross register and upwards, has been issued applying to vessels under 300 tons. The Ministry, in view of the facts ascertained with regard to running expenses, submitted a revised scale for vessels requisitioned on the net form of Charter. The Committee succeeded in securing somewhat better terms than were originally proposed.

The activities of the Committee have been directed to other questions, but no settlement has been arrived at with the Ministry except in the case of those classes of vessels previously enumerated.

The warm thanks of the Chamber are due to members of this Committee, more particularly to its Chairman, Sir William H. Raeburn, M.P., and to the Vice-President (Mr. J. Herbert Scrutton) for their able handling of this difficult question.

The results of the work of this Committee are set out on the succeeding page.

TRAMP AND SMALL VESSELS.

Class.	Previous Blue Book Rate.	Rate from 1st March, 1918.
110 G.R. and under	£90 (plus £5 for Marine Insurance if borne by owners) £10 to be paid in addition for service in Northern Waters	£120 (plus £12 10s. for Marine Insurance if borne by owners) £10 to be paid in addition for service in Northern Waters
111-300 G.R.	Per Gross Register Ton.	Per Gross Register Ton.
301-450 G.R.	—	30s.
451-600 G.R.	19s. 6d.	29s.
601-750 G.R.	18s. 6d.	25s.
751-900 G.R.	17s. 6d.	23s.
900 G.R. 1,300 D.W.	16s.	21s. 6d.
1,301-1,800 D.W.	15s. 6d.	20s.
1,801-2,200 D.W.	13s. 6d.	17s. 6d.
2,201-3,000 D.W.	13s.	17s.
3,001-4,000 D.W.	12s. 6d.	17s.
4,001-5,000 D.W.	12s.	16s. 6d.
5,001-7,000 D.W.	11s. 6d.	15s.
Over 7,000 D.W.	11s.	14s.
	11s.	13s. 6d.

Demised Vessels (Net Form Charter).

Tonnage.	Monthly Rate.
	(from 1st March, 1918)
110 G.R. and under	(To be communicated)
111-300 G.R.	9s. per g.r.t.
301-450 G.R.	8s. 6d. " "
451-600 G.R.	8s. " "
601-750 G.R.	7s. 6d. " "
751-900 G.R.	7s. " "
901 G.R. 1300 D.W.	6s. 6d. " "
1,301-1,800 D.W.	6s. " "
1,801-2,200 D.W.	5s. 6d. " "
2,201-3,000 D.W.	5s. 6d. " "
3,001-4,000 D.W.	5s. " "
4,001-5,000 D.W.	4s. 6d. " "
5,001-7,000 D.W.	4s. " "
7,001-9,000 D.W.	4s. " "
Over 9,000 D.W.	3s. 6d. " "

Shelter Deck Allowances.**(Tramps.)**

“(a) Where the deck spaces were measured and included in the gross register tonnage after the vessel had entered into pay under Government requisition, 75 per cent. of the full rates on the tonnage of the spaces so included from the date of the Board of Trade Surveyor's certificate of remeasurement; cost of alteration and of any subsequent reopening to be for account of the owner.”

“(b) Where the deck spaces were not so measured and included in the gross register (and their tonnage exceeds 3 per cent. of the total gross tonnage of the ship) 50 per cent. of the full rates on the tonnage of such deck spaces from the date of vessel entering into pay under Government requisition or from 1st March, 1918, whichever is later.”

N.B.—It will be seen that the expression “Shelter deck” includes all “deck spaces not so measured and included in the gross register.”

(Liners or Passenger or Cargo Coasters.)

An intimation has been received from the Finance Department of the Ministry of Shipping that the revised Scale of Allowances for Shelter, &c., Deck Spaces is applicable as from 1st October, 1917, to vessels paid as Liners or Passenger or Cargo Coasters.

Carriage of Oil Fuel in Double Bottoms and/or Tanks.

A question arose as to the remuneration payable to owners of requisitioned vessels in respect of the carriage of oil fuel in double bottoms and/or deep tanks. Considerable dissatisfaction with regard to the existing arrangements was expressed at a meeting of the Council. There being pending before the Admiralty Transport Arbitration Board a test case brought by the owners of the "Clarissa Radcliffe," it was decided to take no independent action, but to give such assistance as was possible to the owners' Club in connection with such proceedings. On these proceedings the owners were awarded a complete indemnity, with 3s. 6d. per ton for each ton of oil so carried, by way of extra remuneration. This Rule was accepted by the Ministry and members were advised accordingly.

BRITISH ENGINEERING STANDARDS ASSOCIATION.

The Chamber was asked to appoint members to attend a Conference with the Ship Building Employers' Federation and the Engineering Employers' Federation on the 9th of August. A preliminary conference was held at the Institution of Civil Engineers on that date to consider the formation of a Committee to standardise details in the construction of ships and their machinery. A scheme was adopted providing for the appointment of 14 ship-

owners, 14 shipbuilders and engineers (that is seven shipbuilders and seven marine engineers) and 14 officials and 2 consulting naval architects. The Chamber was invited to arrange in conjunction with the Liverpool Shipowners' Association for the appointment of the shipowners, and names were accordingly forwarded to the Association.

In putting forward these names due attention was paid to the districts, trades and classes of vessels involved.

CHILIAN QUARANTINE REGULATION.

As the result of representations made by the Chamber to the Foreign Office, it was reported that the Chilian Government had issued a decree exempting all vessels proceeding from uninfected ports of Great Britain and Ireland to Chili through the Panama Canal, from calling for examination at the port of Arica. After being medically inspected, vessels have, if necessary, to undergo fumigation at that port, and a further letter has been addressed to the Foreign Office, who state that His Majesty's Minister at Santiago has been instructed to renew his representations to the Chilian Government, with a view to securing the exemption of all vessels proceeding from uninfected ports, wherever situated, from calling for fumigation at Arica.

CIRCULARS.

Appended to this Report is a complete list of all circulars issued since the 6th of March, 1918. Arrangements have been made by Messrs. Witherby & Company, of 15, Nicholas Lane, E.C.4, to reproduce all the circulars issued by the Chamber, and secretaries of societies are asked to remember that,

in order to save the time and expense involved in making copies, they can obtain the number required by them on application to the printers. If they so desire, arrangements can be made with the printers by which that firm will send to each secretary a certain number of copies of any circular which they are issuing.

COMPANY LAW AMENDMENT.

In March of this year a Departmental Committee, appointed by the President of the Board of Trade, under the chairmanship of Lord Wrenbury, to enquire what amendments, if any, were expedient in the Companies Acts, 1908 and 1917, sent a list of questions which the Committee were to consider in framing their report. In as far as the questions, which were very wide in their scope, mainly concerned shipowners as distinct from the rest of the community, they dealt with foreign control of, or participation in Companies owning British ships.

The views of the Members of the Council and of some of the more prominent shipping lawyers were asked for, and a résumé of the results obtained was sent to the Committee. The report of the Committee was issued in July, and a copy of that report was circulated among the members of the Council. In the case of ordinary companies the Committee do not feel that it is necessary to make any change in the direction of restricting the freedom at present given to the company; but as regards the companies owning British shipping as well as companies carrying on "key" industries they do recommend that the proportion of the share capital and of the voting power obtainable by aliens be limited to

20 per cent. of the whole. It is understood that it is the intention of the Government to introduce legislation accordingly.

COMPASSES.

It was proposed during the year to make compulsory on all ships of the mercantile marine the use of liquid compasses such as are in general use in the Navy. As the result of a communication from the Chamber, the Marine Department of the Board of Trade agreed to hold a conference in August of this year. Representatives of Compass Makers, of the Government Departments concerned (namely the Admiralty, the Department of Merchant Shipbuilding and the Ministry of Shipping) and of Shipowners attended, and as the result of the views expressed at that conference the Admiralty proposals were withdrawn and it was arranged that makers should submit a list of the types to be manufactured, and that these be submitted to the Government Departments and the shipowners for their approval. At that meeting the Chairman pointed out that the short supply of compasses rendered it necessary to devise some remedy, but the views of the Mercantile Marine were almost without exception strongly in favour of the continued use of the dry card compass, and inclined to regard any alteration in the direction of using a liquid compass as a retrograde and by no means a progressive step.

CONTROL OF SHIPPING.

Your Council has worked unceasingly to secure the release of shipping from Government control at the earliest possible moment, and it is gratifying to observe that shipping has become appreciably freer from control in the past few months. The

victory of the Allied armies and the armistice concluded on November 11th brought an end to the submarine war on allied tonnage, and gave promise of easier conditions with regard to supply of tonnage, so that in a comparatively short time at the present rate of construction the world's requirements of tonnage will be met. Many vessels engaged on pure war service, *e.g.* fleet auxiliaries, colliers, etc., it was possible to release at once, and the assurance of uninterrupted supplies of foodstuffs, raw materials, etc., made it possible to permit a number of liners to return to their regular trades.

From the following announcements it will be seen that the Government has established the Policy of the speedy release of ships from Government control, and that for the future the question will be one of Administration only, such control being exercised as will be necessary to provide for the extraordinary conditions arising out of the war.

On 28th October, being asked "whether he was aware of the disquietude in the minds of British shipowners owing to the uncertainty which existed regarding Government action or intention in connection with the nationalisation of shipping, and whether he was prepared to make a definite statement on the matter" Mr. Bonar Law, the leader of the House of Commons and Chancellor of the Exchequer replied: "I am not aware of the disquietude suggested and I see no reason for it. The action suggested is not in contemplation by the Government." The following announcement of the Shipping Controller was published in *The Times* of 12th November, 1918: "It has been represented to the Shipping Controller that the formulation of plans for the restoration of British trade on the cessation of hostilities is hampered

by uncertainty regarding the policy of the Government in relation to the maintenance of the present system of control of merchant shipping after the war. He desires, therefore, to make it known, in amplification of the statement made in the House of Commons by Mr. Bonar Law last month, that it is not contemplated that the control of merchant shipping should continue for any longer period than is necessary to provide for the extraordinary conditions arising out of the war. It is the intention that privately owned ships now under requisition should be released from control as soon as the tonnage available is considered clearly sufficient to provide reasonably for such essential shipping services as may be necessary in the national interest." And on the 15th of January the following notice was issued:—

"The Shipping Controller desires to intimate that British ships as they complete their voyages on and after March 1st at ports of re-delivery in the United Kingdom, or in exceptional cases at ports abroad, will be released from requisition, except in so far as they are required for Government purposes or are ships to which special conditions apply, and shipowners in general are now free to make arrangements for the employment of their ships from the time indicated subject to employment and charters being approved by the Controller and the necessary licences for proposed voyages being obtained.

"With a view to safeguarding the essential imports and exports of the United Kingdom and of the Allies, it will be necessary for some time to come to maintain a system of direction as to employment and a limitation of freight rates for the carriage of such essential commodities.

"All owners will have full liberty to negotiate employment through their own agents or brokers.

"The Shipping Controller is hopeful that all essential services will be adequately provided for under the above arrangement, but it is, of course, to be understood that the power of requisition is held in reserve for use at any time should the necessity arise.

"This notice does not apply to ships wholly engaged on naval or military services."

Limitation rates of freight have been in existence for the carriage of coal and other commodities between the United Kingdom and France and Italy as stated elsewhere in this report, and it is understood that limitation rates of freight will be established in other trades when thought necessary. A great deal will depend upon the wisdom with which these rates are fixed and the understanding that is applied to the control of ships according to trades. These questions will engage the close attention of the Chamber until the freedom of shipping from Government control is complete. Several sectional meetings of owners interested in particular trades have been held at the Chamber, and the same practice will be followed, whenever thought desirable by the executive or a general request is received.

Neither the shipowners nor the country can receive much benefit from the release of shipping until the hand of Government control is lifted from commerce generally. There has, however, been some tendency towards such release, and your Council, with all other Associations representative of the commerce of the country, will continue to press for the complete freedom of commerce until it is finally

achieved. Naturally such release cannot be effected suddenly without creating confusion, but while the process of release should be gradual it should also be speedy. It will take some time for commerce to recover from the enforced dislocation or inertia of the past few years, but its restoration with complete freedom to those whose industry, initiative and foresight has built up the commercial fabric of the empire is the speediest, in fact the only guarantee of the restoration of our commercial greatness.

It is noteworthy that at the present time vessels, though fully laden homeward, cannot be provided with more than approximately 10 per cent. of their capacity for cargo outwards from the United Kingdom, but with the release and increased import of raw materials and the return to pre-war manufactures, etc., the position is bound gradually to improve. The falling off in the export of coal is remarkable, *e.g.* British exports of coal to South America in 1913 amounted to about 7,000,000 tons, whereas the corresponding exports for 1918 amounted to only about 600,000 tons. As the export of coal constitutes practically 78 per cent. of the total weight of our exports it is of vital importance that normal conditions at the collieries should be resumed as soon as possible. Anything which tends to restrict the output of coal at competitive prices is bound to react directly upon the international trade of the country, thus indirectly as well as directly endangering its internal prosperity.

The Government has at last declared its policy against the nationalisation of shipping by having sold 137 large steamers under construction. A further lot of about 100 smaller steamers are also about to be disposed of in the same way, and no

doubt the ships in commission will also be sold as soon as they can be spared.

In connection with the release of shipping, attention is directed to the promised release of shipbuilding, marine engineering and ship repair-work from control. An announcement was made by the Shipping Controller on the 8th January intimating that the shipyards were now free to take on private work, and shipowners to negotiate direct with shipbuilders with regard to new construction and that shipowners were authorised to place their requirements with the shipbuilding and ship repairing firms in such ports as they had hitherto been accustomed to use, or wherever it might be convenient for repairs to be effected.

DEFENCE OF MERCHANT SHIPPING.

During the year under review the arming of merchant ships was in most instances satisfactorily completed; various circulars dealing with the question of the incidence of cost were sent out early in the year.

In July the Admiralty raised the question of the general defensive armament of merchant vessels in the time of peace. At the Council Meeting held on the 12th of that month which was attended by Admiral of the Fleet Sir William H. May, G.C.B., G.C.V.O., the Rt. Hon. E. C. Pretyman, M.P., Sir Lionel Fletcher, Captain Margesson, R.N., Captain Miller, R.N., the view of the Admiralty was put forward, and it was decided at that meeting that the whole question should be left to a Committee to decide; this Committee, which met on the 15th day of November, 1918, concurred in passing a resolution to the effect that the arming of merchant

vessels in peace time was undesirable, but that if the Admiralty decided that it was necessary, the Committee were of opinion that vessels should be fitted to carry the necessary armament, but that that armament together with the requisite ammunition and guns' crews required should be left on shore.

DEGREES IN COMMERCE.

The London University propose to confer a Commercial Degree and the authorities at that University have been in consultation with the various bodies engaged in industry of different kinds. They hope to establish a variety of sections and amongst others a shipping section ; the object of this degree is to ensure some knowledge of the special subject selected while retaining the general nature of the education provided. A strong committee has been formed in consultation with the London General Ship-owners' Society to consult with the University authorities and there is little doubt that if the shipping community can and will co-operate by providing the man, when qualified, with employment this very much needed reform will be introduced.

DOCUMENTARY COMMITTEE.

The feeling was widely expressed that the work of this committee should be brought under the direct control of the Chamber. The question was brought before the Council at one of its meetings, and as a result of the opinions expressed by the members the Documentary Committee was communicated with, and asked to take what steps it thought fit. At a meeting of the Committee it was decided to transfer its operations to the Chamber, and

arrangements were made by which the work of that Committee was taken over by the Chamber as from the 1st January, 1919.

DUTCH TRADE.

Conditions of the Anglo-Dutch shipping trade have been the subject of special consideration at meetings held at the Chamber and of representations to the Ministry of Shipping. The old condition endorsed on export licences for goods for Holland "Subject to shipment by Dutch bottoms" has been abolished. There is still maintained a condition that the vessel is to be subject to disapproval, but this is intended only to retain the control as against undesirables. The Ministry is endeavouring to release vessels to return to the trade and efforts are being made to increase the quantity of coal and other exportable goods. In view of the difficulties attending the release of their vessels from Government requisition, owners have been advised that they should approach the Ministry of Shipping with particulars of the disposition of vessels belonging to them in making any application for the release of a vessel for this trade.

EDUCATION (ENGLAND AND SCOTLAND) BILLS AND EMIGRATION BILL.

The action taken by the Shipowners' Parliamentary Committee will be found set out in the Report of that Committee which it is proposed to bind with this Report.

FINANCE COMMITTEE.

The financial affairs of the Chamber have been dealt with by this Committee under the chairmanship of the Vice-President; during the year Mr.

R. A. Bennett died and his work has been carried out by Mr. D. I. Conradi of the Royal Mail Steam Packet Company. This Committee, which is appointed by the Council, consists for the sake of convenience almost entirely of London members and deals with all matters relating to finance, referring any question which it feels to be one affecting shipowners generally, to the Council for its decision.

GENERAL ELECTION.

New M.P.'s and Shipping Problems.

Every candidate at the recent General Election received from the General Manager a circular letter, dated December 7th, 1918, pointing out that among the important shipping problems confronting the country are :—

- (a) The securing of adequate compensation from the enemy for the wanton destruction of life and property at sea, including the transfer to the Allies of existing enemy tonnage ; and
- (b) The interpretation of the term “freedom of the seas” in such a manner that it will not (as intended by Germany) operate to limit the powers of our Navy in war to maintain the security of the country, or, in peace, place our shipping at a disadvantage as compared with that of other nations.

The circular proceeded to enquire whether the candidate, if elected, would be prepared to do what lay in his power in Parliament to support British

shipping, and to assist the country to regain the traditional and predominating position in the shipping world she for so long enjoyed.

Replies to this circular letter were received from 368 candidates, of whom only three returned unfavourable answers. These favoured State control or the nationalisation of shipping.

Of the 368 candidates a total of 144 secured election, and these have practically all returned affirmative answers to the enquiry whether they will do what lies in their power to support British shipping, and to assist the country to regain its predominating position in the shipping world. In some few cases the candidates content themselves with approving “a” and/or “b.” In most cases the answer covers both “a” and “b,” as well as promising general support.

The 144 members of Parliament who have given affirmative replies represent the following political parties :—

Coalition Unionist	...	...	...	105
Coalition Liberal	...	...	...	18
Unionist	...	...	...	11
Labour ...	...	...	...	4
Liberal	...	...	...	2
National Party	...	...	...	2
Nationalist	...	...	...	1
Socialist	...	...	...	1
				<hr/>
				144

With two or three not unimportant exceptions, these 144 members of Parliament are not personally

interested in shipping. Accordingly, it is a matter for great satisfaction to find that their replies indicate, in the great majority of cases, a deep concern for the welfare of merchant shipping, and a resolve to give hearty support to the views expressed in the circular letter. Indeed, many of the answers go further than that, and may be taken to intimate that the writers will do everything in their power to encourage the mercantile marine, irrespective of the special aspects of the subject now brought to their attention.

The general effect of the circular letter has thus been to discover a considerable body of unorganised Parliamentary opinion which is favourably disposed towards the shipping industry, and which may on occasion be found extremely valuable by the Shipowners' Parliamentary Committee.

Of the 21 shipowner members of the new House of Commons all but 6 did not think it necessary to reply, presumably regarding their views as obvious.

The replies of these 144 members of Parliament have been carefully tabulated for future reference, and in an addendum to the report of the Shipowners' Parliamentary Committee will be found copies of the letter addressed to candidates and of the replies of the newly-elected members of Parliament.

It is impossible to leave the subject of the representation or support of shipping in the House of Commons without reference to the great loss to shipping that the absence of many able supporters

will bring, among whom may be mentioned Sir Walter Runciman, Bart., and Mr. R. D. Holt, the Rt. Hon. Walter Runciman, who though not a shipowner, was particularly qualified by actual knowledge to deal with shipping questions, and the Rt. Hon. Leif Jones, whose brilliant exposition of the shipowners' case in the House of Commons on the Education and Emigration Bills will long be remembered. When contemplating such losses as these it is the more gratifying to note the accession to Parliamentary ranks of a large number of shipowners and other champions of shipping, notably Sir William Ræburn, ex-President of this Chamber.

HIRE OF COUNCIL CHAMBER.

The use of the Council Chamber is available for Arbitrations and other meetings. Those wishing to reserve it for a meeting should communicate with the Secretary.

INCOME TAX AND EXCESS PROFITS DUTY.

As the result of an arrangement made between the Chamber and the Inland Revenue authorities, the principle that the purchaser of a second-hand vessel was entitled to claim depreciation for Income Tax purposes on the actual cost of the vessel to him which was reported in the last Annual Report, was established, and the scale set out on pages 42-45 has been drawn up and agreed with the authorities for Income Tax and Excess Profits purposes. It will be seen that in addition to the ordinary depreciation on the cost price, the Inland Revenue authorities

have agreed to allow during the continuance of the war, an additional 2 per cent. over and above the normal allowance, in respect of steamships whether new or second-hand and whether purchased in pre-war years or during the war.

For the purpose of Excess Profits Duty cost price will in the case of second-hand ships generally be the first cost and for the purpose of Income Tax the cost to the purchaser.

As the result of further negotiations with the authorities they have agreed to allow an additional 50 per cent. on oil tank steamers, sailing ships and refrigerating machinery previously receiving other allowances than the 4 per cent., which until recently was the general rate allowed in respect of all vessels in the absence of exceptional circumstances. It yet remains to be seen what will be the practical value of the clause of the Finance Act (Section 40, sub-section 3 The Finance (No. 2) Act, 1915), relating to obsolescence of vessels built at war values which was the subject of a special circular. To the extent to which it may apply, the necessary adjustment will be made after the war, when the full amount of any depreciation which may have been already allowed will be taken into account.

The important questions of the allowance of insurance premiums on excess values for Income Tax and Excess Profits Duty purposes has been engaging the attention of the Chamber, and communications have taken place with the Inland Revenue Authorities, but it has not been possible to come to any arrangement which could be circularised.

DEPRECIATION ALLOWANCES IN NEW SCALE

Age.		Expectation of Life.	Balance of Expectation of Life after deducting one year for Break-up Value.	Proportion of Cost after deducting Break-up Value to be written off each year for Depreciation.
Years. Over.	Under.	Years.	Years.	Proportion.
0	1	25	24	1/24
1	2	24	23	1/23
2	3	23	22	1/22
3	4	22	21	1/21
4	5	21	20	1/20
5	6	20	19	1/19
6	7	19	18	1/18
7	8	18	17	1/17
8	9	17	16	1/16
9	10	16	15	1/15
10	11	15	14	1/14
11	12	14	13	1/13
12	13	13	12	1/12
13	14	12	11	1/11
14	15	11	10	1/10
15	16	11	10	1/10
16	17	11	10	1/10
17	18	11	10	1/10
18	19	10	9	1/9
19	20	10	9	1/9
20	21	10	9	1/9

Steamships over 21 years to be dealt with by negotiation according to the facts in each case

RESPECT OF SECOND-HAND STEAMSHIPS. OF ALLOWANCES.

EXAMPLES.

	£
<i>New Ship</i> —First Cost	100,000
<i>Less</i> 1/25 for Break-up Value	4,000
	<hr/>
Balance allowed over 24 years	96,000
Annual Depreciation 1/24 for 24 years @ £4,000 per annum	96,000
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Second-hand Ship.—

1. Under 1 Year :

Expectation of Life, 25 years. Cost	150,000
<i>Less</i> Break-up Value—1/25th	6,000
	<hr/>
Balance to be allowed over 24 years	144,000
Annual Depreciation 1/24 for 24 years @ £6,000 per annum	144,000
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2. Under 14 Years :

Expectation of Life, 12 Years. Cost	120,000
<i>Less</i> Break-up Value—1/12th	10,000
	<hr/>
Balance to be allowed over 11 years	110,000
Annual Depreciation 1/11 for 11 years @ £10,000 per annum	110,000
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1. INCOME TAX.

- (a) Depreciation shall be allowed in respect of second-hand steamships purchased *during the war or after the war* by reference to the price actually paid, and at the rates shown by the Table annexed.
- (b) Depreciation will continue to be allowed on the scale previously recognised, in respect of *second-hand steamships purchased in pre-war years*, but the new owner shall be allowed on application to adopt the new scale as from the 6th April, 1918, *i.e.*, he shall be allowed as from that date depreciation calculated upon the cost price to him and by reference to the estimated life at the date of purchase.
- (c) These arrangements are not to interfere with the existing practice as to *new steamships* upon which depreciation will continue to be allowed on the cost price at 4 per cent. per annum (based upon a presumed life of 25 years, less one year break-up value).
- (d) An additional 2 per cent. per annum on the cost price will be allowed as from the 6th April, 1917, during the remaining period of the war, in respect of all steamships whether new or second-hand and whether purchased in pre-war years or during the war.
- (e) The yearly depreciation (other than the additional 2 per cent. referred to in Clause (d) above) on all second-hand steamships purchased during the war, and still owned by the purchaser, will be re-calculated as from the date of purchase, and the balance due, if any, allowed, subject to the necessary adjustment in the rate of duty, against any unpaid balance or from the 1918/19 assessment.

2. EXCESS PROFITS DUTY.

- (a) The allowances for Income Tax purposes shall be followed except in those cases where the provisions of Section 47 of the Finance Act 1916 are applied.
- (b) Where Section 47 is applied the purchaser shall be allowed only the depreciation which would have been granted to the vendor if the steamship had not been sold (together with the extra 2 per cent. from the 6th April, 1917).
- (c) In cases falling under 1 (b) (*i.e.*, cases where the new scale is first adopted for 1918/19), such necessary adjustment shall be made as shall ensure that the net profits of the standard period and of the accounting periods are calculated on the same basis. That is to say, the same annual

amount of depreciation shall be adopted in both the standard and accounting periods, except that the additional 2 per cent. depreciation allowed in the accounting period shall be excluded from the standard period.

- (d) The additional 2 per cent, referred to in Clause 1 (d) above is to be regarded for Excess Profits Duty purposes as an additional wear and tear allowance, and it will not in any way restrict a claim by the owner under Section 40 (3) of the Finance No. 2 Act of 1915 in respect of the difference between the purchase price and the assumed post-war value. Such difference is necessarily reduced for the purpose of Section 40 (3) by the wear and tear allowance.

3. GENERAL.

- (a) These arrangements shall apply only to such changes of ownership as are "genuine." The decision as to whether the amended scale of depreciation is to be applied shall in any case of doubt rest with the Commissioners of Inland Revenue.
- (b) In no case shall the owner of a steamship be entitled to receive in the aggregate a larger sum of depreciation than the actual cost to him of the steamship, less its break-up value.
- (c) The allowance to be made in respect of any steamship purchased, sold, or lost during the year of assessment shall be a proportional part of the appropriate year's allowance

4. SPECIAL ALLOWANCES FOR SPECIAL CLASSES OF VESSELS.

- "(1) Oil Tank Steamers which at present receive 5 per cent.
 "may be allowed an additional $2\frac{1}{2}$ per cent., making
 "in all an allowance of $7\frac{1}{2}$ per cent.
- "(2) Sailing ships which at present receive a depreciation
 "allowance of 3 per cent. may be allowed an additional
 " $1\frac{1}{2}$ per cent., making an aggregate allowance of
 " $4\frac{1}{2}$ per cent.
- "(3) The owners of refrigerating machinery at present
 "receiving separate allowances in respect thereof
 "may be granted an extra 50 per cent. of the normal
 "allowance."

"NOTE.—The above additional allowance to be restricted
 "to the period of the war as in the case of Steamships."

The additional 50 per centum per annum of the normal allowance is granted as from the 6th of April, 1917.

LINER REQUISITIONMENT.—HIRE CLAIMS COMMITTEE.

The Chamber was not called upon to take any part in the negotiation of the Liner Requisitionment Scheme, nor, for the most part, has it been concerned in its work, this being dealt with by the principal liner owners under the chairmanship of Lord Inchaape, the President, but in one detail the Chamber has been concerned. While shipowners retained responsibility for sea risks, the Government undertook responsibility for war risks. It was, however, seen that if the strict rule of law were to be applied in deciding whether losses had arisen from sea or war risks owners would have to bear many losses which, though technically due to sea risks, were really due to war conditions: for instance, vessels have come into collision while sailing without lights or when proceeding at full speed through a fog; or have stranded when hugging a dangerous coast. The special risk of collision or stranding in such circumstances was incurred in order to avoid the greater danger of submarine attack, and the procedure to be followed was generally expressly laid down by Admiralty Regulations or Orders. Had no special provision been made vessels would have been put off hire in some cases as much as nine months. Furthermore, the time occupied for repairs necessary to make good damage due to sea risks, has been prolonged owing to circumstances attributable to the existence of a state of war. Claims for loss of hire in such circumstances are referred to and may be allowed by a standing committee, consisting of one person appointed by the Chairman of the various Liner Conferences, one by the Shipping Controller, and a Chairman selected by them. On this committee of three, Mr. Cleminson has sat as liner representative.

MERCHANT SHIPPING (CONVENTION) ACT 1914.

The operation of this Act has again been postponed till the 1st of July, 1919.

CONSTRUCTION OF PASSENGER STEAMERS.

The Joint Committee of this Chamber and the Liverpool Steam Ship Owners' Association have been in communication with the Marine Department of the Board of Trade, and have submitted to that Department various proposals. It is hoped to agree a scheme which, while not appreciably lowering the standard of safety demanded by the Merchant Shipping (Convention) Act of 1914, will conform more nearly to the requirements of owners than the scheme originally proposed by the Board of Trade.

MILITARY SERVICE.

Owing to the exigencies created by the military situation in March of this year, it was considered necessary by the National Service Authorities still further to deplete the existing staff of the various Associations affiliated with this Chamber in common with all other employers. It was arranged with the Minister of National Service that all applications should be dealt with by a Committee presided over by the Commissioner for Trade Exemptions. Many cases were so dealt with to the general satisfaction of those concerned.

Sir John Wimble, the Chairman of the London Shipowners and Transport Workers' Military Service Committee, throughout represented the Associations

on these applications, and the thanks of the Chamber are due to him for the energetic way in which he brought to a successful issue the work involved.

PANAMA CANAL.

In November last the United States Panama Canal authorities issued an intimation to shipowners requesting them to deposit copies of the manifests of vessels passing through the Canal. Although it was stated that the information was merely required for statistical purposes, great exception has been taken to the request by owners, who point out that the information is quite unnecessary for the purposes of the Canal, as is shown by the fact that such information has never been required by the Suez Canal authorities ; they also express the view that even though the United States Government might desire to be informed of the classes and quantities of cargo on board, a request for information as to the marks of the goods and the names of the shippers and consignees is greatly to be deprecated. While shipowners are interested to some extent, manufacturers and merchants are even more directly concerned, and would be likely to take strong exception to shipowners divulging such information. The fact that the American Government is at present the owner of a great fleet of merchant ships would not encourage owners to acquiesce in the demand, which, even apart from this fact, is regarded with apprehension.

Representations have been made by the Chamber to the Board of Trade, and communicated to the Foreign Office and the Ministry of Shipping. It is hoped that His Majesty's Government will succeed

in convincing the Government of the United States of the reasonableness of shipowners' objections, and that the demand will be withdrawn.

PEACE TERMS.

Shipowners will watch with interest the conclusion of the peace terms which are the subject of preliminary negotiation among the Allies, and no doubt many matters affecting shipping will be reserved for further negotiation after the signing of peace with the enemy.

- (1) Restitution in kind and compensation in respect of British losses inflicted by the enemy,
- (2) Freedom of shipping in war and in peace, and
- (3) International treaties affecting shipping,

are all matters of peculiar interest to shipowners.

The initial step is to secure the handing over of all existing enemy tonnage, to be distributed among the Allies in proportion to their losses in part restitution for the losses inflicted by the enemy.

The enemy tonnage in enemy and neutral ports on the conclusion of hostilities was approximately 4,000,000 gross tons ; a further quantity was at the outbreak of war either in or brought to British or Allied ports. Part of this was detained and part has been condemned, but figures are not available distinguishing between ships condemned and those merely detained, so that the approximate total of enemy shipping which is capable of being disposed of in the Peace Terms may be estimated to amount

to approximately 5,000,000 gross tons in all. British war losses alone have been 7,747,935 gross tons and Allied losses 2,653,749 gross tons approximately, so that even though there be 5,000,000 tons of available enemy shipping it will only enable the enemy to make restitution in respect of about half of the losses which they have deliberately inflicted.

The Government has been made fully aware of the Chamber's view on this subject, and there is every indication that the demand of shipowners will be substantially met.

FREEDOM OF SHIPPING IN WAR.—Whatever may be the right view of the interests of the individual shipowner of the country when neutral, this Chamber has always definitely adhered to the view that nothing should be allowed to interfere with our right to defend our shores and Empire by the exercise of our sea power. The satisfaction with which President Wilson's point in regard to the freedom of the seas in war was received in Germany is an indication of the danger of any interference with established belligerent rights.

FREEDOM OF THE SEAS IN PEACE.—It is difficult to know precisely what was intended by President Wilson when he referred to "Absolute freedom of navigation upon the seas outside territorial waters alike in peace and in war, except as the seas may be closed in whole or in part by international action for the enforcement of international covenants." By his reference to freedom of the seas in Peace he may refer only to freedom of shipping from piracy and similar perils on the sea in Peace. But if more is meant it should be remembered that this country has, for many years past, unlike many other countries, including the United

States of America, adopted a policy of complete freedom from economic restrictions on shipping, so much so that even the coastwise traffic of this country is open. Nevertheless, many other countries, especially the enemy, have adopted a policy of restriction, not only reserving their own coastwise trade, but also discriminating against a foreign flag in various ways. The question is dealt with fully in the Report of the Joint Committee on Trade after the War appointed by the Chamber of Shipping and the Liverpool Steamship Owners Association published in 1917, and in the Reports issued in the following year by the Committee appointed to consider the position of the Shipping and Shipbuilding industries after the War, known as the Booth Committee, and the subject need not therefore be pursued here.

PILOTAGE.

Owing to the increasing tendency of questions affecting pilotage to become of national and not merely of local interest, it has been felt desirable that such questions should receive the consideration of a special committee and such a committee has therefore been set up. The Committee as constituted represents the interests of every locality, and ensures prompt action in the case of any proposal of more than local interest.

PRESENTATIONS.

During the year the Chamber has been the recipient of the following gifts:—

- (1) A portrait of Sir William Raeburn.
- (2) A picture of the first standard ship.
- (3) A clock.
- (4) A model of a Burmese junk.

The pictures, both of which are hung in the Library, were the gift of Sir William Raeburn, and the portrait was one of two presented to him by the Council as a mark of their appreciation of the work which he had done for the Chamber and the country at large and re-presented by that gentleman to the Chamber.

The clock was the gift of the Vice-President (Mr. J. Herbert Scrutton) and is hung in the Council Chamber.

The model junk was presented by the late Lieutenant-Colonel T. Paterson Purdie and your Council wishes to put on record the thanks of the Chamber for these various gifts.

PUBLICITY.

During the last quarter of the year under review a publicity department under the supervision of a special committee has been started. The early days of the life of this department have not been eminently suited to its growth, as the war, followed by the armistice and the general election have diverted people's minds to other topics than those affecting the shipping industry. The policy pursued by the department has not been that of contradicting every baseless or exaggerated statement which has been made from time to time by the more irresponsible of our journalists and politicians, but of providing for members of the Press or others interested the facts and figures necessary for a presentment of the truth.

It is thought that good work has been done in the direction of making the community realise

to a greater degree than before the value to it of its mercantile marine; the importance to the nation of its shipbuilding industry and the folly of any scheme of nationalising shipping.

It is desired to acknowledge with appreciation the great assistance that Mr. Archibald Hurd has rendered to the cause of shipping, not only as a writer on shipping subjects, but especially for advice and assistance which he has voluntarily given to the Executive in regard to Press matters.

SAILING SHIPS.

Early in the year a meeting of the owners of sailing vessels in the United Kingdom was held to consider the limitation rates of freight in force between this country and French ports. At this meeting a general desire to secure a closer connection between the owners of sailing vessels and the Chamber was expressed. A special Committee was appointed and at a meeting of this Committee, held in July, it was decided to ask for membership and representation on the Council on some scale other than the tonnage basis provided for in the bye-laws of the Chamber. At the meeting of the Council held in July it was resolved that the Sailing Ship owners be empowered to join the Chamber and be given three representatives on the Council. A special meeting of sailing ship owners was held on the 13th of September, and representatives were appointed in accordance with the resolution of the Council.

SALE OF STANDARD SHIPS.

As a result of their building operations the Government found themselves the possessors of a certain

number of standard ships. Since the signing of the armistice they have been negotiating for the disposal of these vessels, and as a result of representations made by this Chamber, the Shipping Controller has expressed his intention of safeguarding the interests of British owners in every sale, and also of allowing the sale to foreigners of British ships of more than fifteen years of age. As has already been stated when dealing with the subject of control of shipping, the larger types of vessels under construction have been disposed of through the President and the smaller types and those on the water are being disposed of.

SHIPBUILDING.

Owing to the urgent need for tonnage every inducement was held out to owners to build new tonnage or to complete those ships which were already in process of construction. Prices, however, were continually increasing, and owners found themselves faced with the prospect of acquiring an asset at a figure which would make profitable trade under normal conditions impossible. To meet this difficulty the Controller agreed to allow the owners of a newly-constructed ship a free voyage so that they might reduce their capital to a reasonable figure. Later with the general requisitionment of all or substantially of all ships under the British Flag it was found impossible to grant this free voyage, and the Government agreed in such cases to reimburse owners out of the vessel's earnings for the additional amounts paid to builders for completion of existing contracts or, in the case of vessels under the Liner Requisitionment Scheme, to retain the amount out of the vessel's earnings.

Vessels built on "Time and Lime."

In addition to those vessels already referred to, which received a free voyage or so-called acceleration money, many owners built or agreed to build vessels on "Time and Lime" contracts. The owners of vessels so built were urgent in their demand that they should receive a like consideration, and on the 18th of December the Shipping Controller received a deputation of those interested, and promised to take the matter up with the Treasury in the hope of finding some solution. Closely akin to this question is that of those owners who have uncompleted contracts to build on "Time and Lime" agreements. This question too is receiving the close attention of the Chamber.

Shipbuilding Output and Tonnage Losses.

Throughout the year shipbuilding has remained under the control of the Government, practically all building being for Government account whether in national or private yards. The results have been disappointing, even to those who advocated Government control. Under peace conditions, without either national yards or Government control, the output of merchant shipping was, according to the 1913 figures, approximately 2,000,000 gross tons a year.

The last published Admiralty official estimate of British shipbuilding output for the year 1918 was 1,841,250 gross tons. The actual output has proved to be from 1,500,000 to 1,600,000 gross tons only.

As against this country, losses were about 1,940,000 gross tons, so that the Government failed even to keep pace with current losses.

In this connection it is desirable to record that the total net losses of the British Mercantile Marine since the outbreak of war in August 1914 to the end of October 1918 were something over 3,443,012 gross tons. These figures were taken from an Admiralty White Paper (Cd. 9221) stating the position as on the 31st October.

The full figures, exclusive of transfers to and from the British flag, were as follows:—

	Gross Tons.
Losses	9,031,828.
Gains:	
New construction, United Kingdom	4,342,296
Purchase abroad	530,000
Enemy tonnage captured...	716,520
	<hr/> 5,588,816
	<hr/> 3,443,012
	<hr/>

It is not known what proportion of the 716,520 tons of enemy shipping is condemned or merely "detained."

Of the 9,031,828 gross tons losses, 86 per cent. of the loss was due to enemy action.

If a correct appreciation of British losses is to be had, account must be taken of the loss of normal progress which may be stated on an average of recent years at 400,000 tons per annum. On this basis it will be seen that in addition to actual losses of approximately 3,500,000 tons there has been a loss of headway amounting to no less than 1,600,000.

It may therefore fairly be stated that the country is 5,100,000 gross tons worse off than it would have been but for the war.

As against this it is to be desired and even expected that the Terms of Peace will provide for the restitution of some portion of our war losses by the application of such proportion of the available enemy tonnage as our losses bear to the whole losses of the Associated Powers.

Elsewhere in this report reference is made to a circular letter of the Controller General of Merchant Shipping, published early in January, 1919, stating that shipyards were free to take on private work, and shipowners were from that time in a position to negotiate direct with shipbuilders with regard to new construction.

Thus the termination of Government control of and participation in merchant shipbuilding has commenced and its speedy completion may be looked for.

SIR ALFRED YARROW'S AWARD.

During the war this gentleman had set aside a sum of £10,000 to be granted to those persons who were the first to sight a hostile submarine and to bring its presence to the notice of the master. This sum was exhausted by the summer of 1918, and to prevent any failure in making the award through lack of the necessary funds the Chamber undertook to provide one half of the amount necessary, the rest being found in equal portions by the Liverpool and London War Risks Association and the "Committee of Lloyd's Underwriters."

STATISTICAL AND INFORMATION SECTION

A statistical and information section of the Chamber has been in existence since May, 1918.

The principal function of this section is to collect from the British and foreign daily and weekly press, monthly periodicals, official publications, new books, papers supplied by the Board of Trade, etc., all information of interest to the shipping industry, and to arrange it in such a manner by means of a card index system, press-cutting files, etc., that it may be readily available for reference.

A large store of information has been gradually growing up in this way, and it has been utilised in the following manner :—

• (1) A daily bulletin book is prepared, so that all items of interest are brought to the immediate attention of the Executive.

(2) Memoranda and statistical tables (with illustrative diagrams) are supplied when information is required on any particular subject.

(3) This section has put itself as far as possible at the disposal of the publicity section, and figures and facts have been supplied, illustrated by graphs and diagrams.

(4) Requests for information have been received from members of the Chamber and others, and these have been dealt with.

The War Committee was provided each month with analysed tables of statistics and diagrams

showing the comparative sinkings of British tonnage by enemy action by day and by night, in convoy or unescorted.

An indexed statistics book has recently been opened, in which it is proposed to collect together the most vital statistical data relating to the British and foreign shipping industries.

SUPPLY OF COAL TO FRANCE AND ITALY AND LIMITATION RATES.

Special interest attaches to this question in view of the recent announcement of the Ministry of Shipping referred to elsewhere, that while requisitioned vessels will in general be released as soon as possible (the general release is to commence on the 1st March), the vessels will still be subject to limitation as to employment, and for this reason the subject will be found dealt with at rather greater length than would otherwise be the case. Owing to the fact that practically all British vessels above 500 tons gross register were under requisition by the Government, the shipowner members of the Executive Committee for the supply of coal to France and Italy, which consists of the representatives throughout the country of shipowners, coal owners and coal exporters, have not been called upon to take the same active part as they would otherwise have done, but still considerable call has been made upon their services.

The Limitation of Freights, French Ports, Order, dated 5th February, 1918, prescribes as from the 11th February, 1918, maximum freights for coal, coke and pig iron, carried between the United Kingdom and French ports by steamers and sailing

vessels varying according to the class and size of vessels and ports of loading and discharge respectively. As an example it may be stated that the rate for coal from the Tyne, Hull and the East Coast to Havre for vessels exceeding 750 tons gross, and exclusive of the cost of war risk insurance on the ship, was 20s. 6d. per ton, and for sailing vessels but inclusive of the cost of war risk insurance 71s. per ton. The order also prescribed maximum rates for time chartered vessels trading to French ports. The cost of war risk insurance when excluded from the freight was to be borne by the French receivers, pursuant to a scheme settled by the Ministry of Shipping in consultation with the French Government and the Executive Committee.

In March the French authorities fixed the maximum rates for French sailing vessels at a rate considerably higher than that prescribed by the British authorities, e.g., 90s. for the north French ports as compared with 71s. to 75s. prescribed by the British order. A meeting of sailing ship owners under the chairmanship of Mr. R. Mason, M.P., was held at the Chamber on the 18th April, and representations in the interests of British sailing ship owners made to the Ministry of Shipping were followed by an adjustment of those rates, the French rate being reduced and the British rate being increased to the same figure.

On the 1st May, 1918, the maximum freights were revised and an amending order of that date issued. The new order contained some readjustments of the rate of freight for steamers, and those for sailing ships were in general increased, the rate, for instance, from the Tyne to Havre being increased from 71s. to 78s. 6d.

The rates for the range of ports from St. Valerius-sur-Somme to Morlaix were, however, reduced, the rates from the Tyne to these ports being 90s. instead of 112s. 6d.

By the Limitation of Freights to French Ports (No. 2) Order, dated 30th July, 1918, certain minor additions and alterations were made.

By a further recent Order the reduction in the schedule rates was made, approximately 12s. all round, representing the cost of war risk insurance becoming unnecessary on the termination of hostilities. This Order is now under consideration by the Chamber in regard to some details of it.

Maximum or Fixed Rates.

Owing to the fact that the coal interests on the Executive Committee are represented by a coal owner and an exporter to each shipowner, it was felt that the peculiar interests of shipowners demanded separate consideration, and a meeting of the shipowner members of the committee was held at the Chamber, when attention was drawn to the attempts of certain coal importers to force down the rates of freights, taking advantage of the Government restriction on voyages. It was considered whether owners should press that the rates should be fixed as minimum as well as maximum rates of freight, but the meeting came to the conclusion that it was not desirable to urge such action upon the Ministry. Satisfaction was expressed that where importers were trying to take advantage of the presence of a number of vessels offering for a particular trade, *e.g.*, Tyne to London, to bring down the rate unfairly, the Licensing Committee

had given owners the option to charter their vessels in other trades, *i.e.*, Tyne to France trade, and it was felt that if the Committee continued to adopt such a policy, owners might rest content to leave the rates to normal market conditions subject only to the maximum limits. The result of the meeting was communicated to the Secretary of the Executive Committee.

Washed Coal.

In September it appeared that a practice had sprung up on the Tyne of washing coal and shipping it straight from the Washery without being dried. In Scotland and elsewhere washed coal is allowed to drain in bunkers on shore. Trimmers on the Tyne demanded increased pay for handling this washed coal, which if conceded, would involve a cost of anything from 2d. to 3d. per ton. This on 100 keels would work out at from £12 10s. to £18 15s. Shipowners made representation to the coal exporters and coal owners to agree that this cost should be borne either by the shippers or the receivers, but owing to the disproportionate representation of shipowners on the committee the proposal was outvoted. At the instance of the shipowners concerned representations were therefore made to the Ministry of Shipping; it was pointed out that in times of peace all these expenses would naturally fall upon the shipper or receiver in one way or another, probably by special provisions inserted on the signing of the charter. It was urged that there was certainly no reason why the owner of a ship loading at Newcastle should be worse off to this extent than the owner of a ship loading coal on the Clyde and that it was clear when the limitation rates were settled it was not

intended to create such inequality. As a result of these representations a Conference was called at the Ministry of Shipping, and the Coal Controller still being unwilling to make provision for the matter, the difficulty was met by reserving the right to refuse washed coal.

THE IMPERIAL COMMERCIAL ASSOCIATION.

The Chamber has become a life member of this Association, which under the presidency of Lord Inchcape is at the present time devoting its energies to removing Government control from industry. An attempt is being made to minimise the evil effects likely to result from an excessive adherence to the principles contained in the Imports and Exports (Temporary) Control Bill, and generally everything is being done to free industry from the grip of the bureaucracy into which it has of necessity fallen during the war.

UNITED STATES INCOME TAX.

Considerable progress has been made in this matter, and there is every reason to hope that no less favourable treatment will be given to British owners in American ports than is extended to American and other foreign owners of ships in British ports.

A memorandum has been prepared and will be issued with this Report,* setting out the English practice in regard to foreign ships. This memorandum has been prepared for the Foreign Office in the hope that it will assist the British representatives in America to reach an understanding with the

* See page 68.

United States Government to that effect. Having regard to the amount of British Income and other Taxes, it would perhaps be in the interests of British owners to urge the extension of British taxation to all foreign ships touching this country rather than to urge the Governments of foreign countries to accord to British ships in the ports of such countries the same treatment as their subjects receive in respect of their ships in this country. But as this would involve the adoption of a new policy it was decided to proceed on the lines stated above. The Council will of course be open to consider the advisability of adopting such a policy should His Majesty's Government be unable to come to an understanding on this subject with the Treasury Department of the United States of America.

The Chamber, in addition to communications with the Foreign Office, Board of Trade, Ministry of Shipping and Board of Inland Revenue, has been in communication with Messrs. Kirlin, Woolsey & Hickox, New York, and through one of its members is following closely proceedings taken by Messrs. Haight, Sandford & Smith, of New York, who are conducting proceedings on behalf of a group of interested tramp steamship and sailing vessel owners, who are submitting that as a matter of law Congress did not intend to impose United States Income Tax upon owners of foreign vessels touching only occasionally at United States ports.

In a letter from the Treasury Department of the United States the Commissioner stated that no vessels under requisition to the British Government would be taxable in the United States upon any portion of the rental of the ships operating to and from the United States.

VICTUALLING OF GUNNERS.

Owners having complained to the Admiralty that owing to the increase in prices it was impossible to feed the naval ratings carried on their ships satisfactorily on the allowance then made, the co-operation of the Chamber was invited by the Admiralty. As a result of investigations into the cost of provisions a new scale was issued, and the Lords Commissioners of the Admiralty expressed their willingness to establish as from the 1st January, 1918, a maximum scale of three shillings and sixpence per diem, instead of the previously established maximum rate of three shillings.

WAR COMMITTEE

This Committee has continued its fortnightly sittings, and the last meeting was held on the 23rd November. Mr. Arthur Ritson has continued his work as shipowner adviser to the Board of Admiralty, though it will be easily understood that the duties of this Committee since the signing of the armistice have been much curtailed. In a letter received from the Admiralty, appreciation was expressed of the work of this Committee, which has performed a useful function in bringing before the authorities the point of view of owners with regard to the convoy system, methods of preventing and combating submarine attack, collision, pilotage, and all the many other incidents which the course of the war by sea involved.

The Committee was composed of shipowners and representatives of the war risk insurance associations and underwriters, and information as to the

best course to be adopted was collected from all these sources. The naval authorities worked in close touch with the Committee, and on several occasions the Admiralty officials received deputations to discuss the working of the various arrangements. The warm thanks of the Chamber are due to this Committee, and especially to its Chairman, Mr. J. Herbert Scrutton, who has been indefatigable in bringing to the notice of the authorities any matter which was considered important, and to Mr. Arthur Ritson, who, as shipowner adviser to the Admiralty, has devoted the whole of his time to the work, and has done invaluable service. Amongst other things he has sat on a committee of investigation into attempted and successful attacks by submarine, and has acted throughout in the interests of the body which he was representing. The Admiralty authorities have expressed their recognition of the value of his services, and your Council would like to add on behalf of the shipowning community generally, its appreciation of the great debt owed to Mr. Arthur Ritson for his wholehearted and untiring efforts in the cause of the Mercantile Marine.

WIRELESS TELEGRAPHY ON BRITISH SHIPS.

The position at the present time is that under the Defence of the Realm Regulations all ships of 1,600 tons gross register tonnage and over must be fitted with wireless telegraphy, and two operators are required to be carried. The expense of installation and all expenses of operation fall to be borne by the owner, but the Ministry have taken into account the question of a vessel being fitted with wireless telegraphy in the increase in Blue Book Rates made as from March 1st, 1918, and in estimating the ascertained value of a vessel lost by war risk. The Board

of Trade have intimated that it is intended to introduce legislation making compulsory the carrying of wireless, which has hitherto been ordered by the Defence of the Realm Regulation (No. 37B) and its amendment. It will be remembered that Section 16, Sub-sections 2 and 3 of the Merchant Shipping (Convention) Act, 1914, provides for the Board of Trade granting exemption in the case of coasting and sailing ships, and it has been stated that a similar provision will be included in the new Bill. Copies of the Bill will be circulated by the Secretary of the Shipowners' Parliamentary Committee as soon as possible for consideration.

OBITUARY.

Your Council regret to have to record the death during the past year of Lieutenant-Colonel T. Paterson Purdie, of Glasgow. Colonel Purdie served on your Council from 1914 to 1919 and throughout that time took a prominent part in the administration of the various matters which came before the Chamber. Like many other Shipowners he had been devoting himself during the War to assisting the Government, and he was engaged shortly before his death in arranging the transport system in Italy so that full use should be made of the tonnage available.

UNITED STATES INCOME TAX.

STATEMENT OF BRITISH PRACTICE REGARDING FOREIGN SHIPS IN THE UNITED KINGDOM.

The liability to British income tax of owners not resident in the United Kingdom of foreign ships is determined not by any enactment specially designed to meet their case, but by the general provisions of the statutes relating to income tax. It is therefore necessary to consider generally the principles upon, and the limits within which non-residents are taxed before discussing whether and how far those principles are applicable to the particular case of non-resident owners of foreign ships. The British Income Tax Act, 1918 (8 and 9 Geo. V. cap. 40) comes into force on April 6th, 1919, and, inasmuch as it is a Consolidation Act and expresses in this matter the present policy of the Imperial Parliament, reference will in this memorandum be made to this Act as if it were now in force. Judicial decisions upon corresponding sections of the Acts now in force but shortly to be repealed, are authoritative as to the meaning and scope of the 1918 Act.

The principle is broadly stated by Lord Herschell in *Colquhoun v. Brooks*, 14 A.C. 504, "The Income Tax Acts themselves impose a territorial limit: either that the property from which the taxable income is derived must be situate in the United Kingdom or the person whose income is to be taxed must be resident there." Such a territorial limit is in fact dictated not less by international comity than by the difficulty of collection, if the ambit of taxation is enlarged. The principle thus broadly laid down is confirmed by the terms of Schedule D of

the Act of 1918, which after providing for the case of persons residing in the United Kingdom, deals with the case of non-residents as follows (*see* Schedule D, 1 (a) (iii.)). "Tax under this Schedule shall be charged in respect of (a) the annual profits arising or accruing (iii.) to any person whether a British subject or not, although not resident in the United Kingdom from any property whatever in the United Kingdom or *from any trade, profession, employment or vocation exercised within the United Kingdom.*"

It is under the heading of "trade exercised within the United Kingdom," if at all, that non-resident owners of foreign ships can be made liable to tax in respect of the profits accruing to them by reason of their ownership of such ships. It is, therefore, relevant to consider the meaning of those words. The Act itself does not supply a definition. But while cases must arise in which it will be a nice question whether a particular commercial transaction or series of transactions constitute trade within the United Kingdom, judicial decisions leave it beyond a peradventure that the relevant words have a far more limited effect than is apparently sought to be ascribed to those sections of the U.S.A. Income Tax Law of 1916, with which a parallel is now sought. It is clear that there may be transactions by or on behalf of a foreign merchant in this country so intimately connected with his business abroad that without them it could not successfully be carried on, which are, nevertheless, insufficient to constitute an exercise of his trade in the United Kingdom within the meaning of the Act (*see Sulley v. A. G.*, 5 H. & N. 711 : *Grainger v. Gough*, 1896 A.C. 325) : nor is it sufficient that a foreign merchant should canvass for orders from customers in the United Kingdom, if all contracts for sale and all deliveries of merchandise take place in the foreign merchant's

own country (see *Grainger v. Gough*, s.). It is perhaps going too far to say that foreign merchants cannot be said to trade within the United Kingdom for the purposes of income tax unless their contracts are habitually made in the United Kingdom (see *Erichson v. Last*, 8 Q.B.D., 414). But that this is a very vital element is manifest from the observations of Lord Davey in *Grainger v. Gough*, that a foreign merchant exercises his trade where he makes his sales, and the profits come home to him. It is at least clear that it is a fact entitled to little or no weight that as one of the consequences of his commercial transactions a foreign merchant becomes the creditor of customers resident in the United Kingdom, or in other words that he derives an income from sources within the United Kingdom, unless he has an agent or branch in the United Kingdom through whom the profits directly or indirectly arise (Rule 6 of the General Rules applicable to Schedules A, B, C, D and E, First Schedule, Income Tax Act, 1918). For, as stated by Lord Herschell in *Grainger v. Gough*, there is a broad distinction between trading *with* a country and carrying on a trade *within* a country—in his own words: “Many manufacturers and merchants export their goods to all parts of the world, yet I do not suppose anyone would dream of saying that they exercise or carry on their trade in every country in which their goods find customers.”

The application of the decisions, to which reference has been made, to the case of shipowners is perhaps not easy, mainly because the language applicable to the sale of merchandise is not entirely apt to describe the commercial activity of shipowners. Instances can readily be given of cases in which tax is leviable and of cases in which it is not. In the former category must be placed foreign steam-

ship companies owning a line of steamers which ply regularly between (say) New York and Liverpool, having offices or agents in the United Kingdom, and habitually making contracts in the United Kingdom for the carriage of passengers and cargo : of them it may be said that they satisfy all the conditions of trade within the United Kingdom. In the latter category falls the case of an American owner of a tramp steamer, who *in New York* agrees with (say) a Cardiff merchant to carry goods from New York to Cardiff or from Cardiff to New York, and it would be immaterial whether the agreement was for a full cargo or not and upon what terms the vessel was chartered. For the purpose of British income tax the American owner in this case would not be carrying on trade within the United Kingdom, though his ship would operate in British territorial waters and his income would come from the pockets of a British customer. Somewhere between these two typical cases the dividing line must be drawn, and the infinite variety of shipping operations makes it difficult to say precisely where it should be drawn. Practically speaking a strong indication is to be found in the administrative provisions made by the Act for the collection of tax where it is leviable. For though theoretically tax may be payable by a person, from whom no practical means exist of collecting it, some guidance is afforded by considering how far the Legislature has provided for exacting the tax from persons not resident in the United Kingdom. In the General Rules applicable to all Schedules it is provided by Section 5 that a person not resident in the United Kingdom, whether a British subject or not, shall be assessable and chargeable in the name of any factor, agent, receiver, branch or manager, whether such factor, agent, receiver, branch and manager has the receipt of the profits or gains or not in like manner and to the like

amount as such non-resident person would be assessed and charged if he were resident in the United Kingdom and in the actual receipt of such profits and gains, and by Rule 6 it is provided that a non-resident person shall be assessable and chargeable in respect of any profits or gains arising whether directly or indirectly through or from any trusteeship, agency, receivership, branch or management, and shall be so assessable and chargeable *in the name* of the factor, agent, receiver, branch or manager. It is open to argument that a non-resident might, under these provisions, be made personally liable if found temporarily within the United Kingdom, and might in such case even be himself assessed and charged, but it is clear that, so far as trading profits are concerned, the Act regards the liability of a non-resident to tax as arising only where he has a factor, agent, receiver, branch or manager within the United Kingdom. It is only in such a case that the Act is cast round a foreign merchant, and that he is regarded as "trading within the United Kingdom." To apply this test to the case of foreign steamship owners is at once to exclude from liability to tax the occasional voyage of a foreign steamship to British ports for the purpose of loading or unloading cargo or of carrying out any contract of affreightment entered into by a British merchant directly with the foreign owner. Nor apparently (if such a course of business is conceivable) would a foreign steamship owner be liable to tax in respect of the profits arising from an agreement of a more permanent character with British shippers, if the agreement were made without the intermediary of a branch or agency in the United Kingdom. It may be stated, in conclusion, that in practice no attempt is made to tax foreign steamship owners unless there is in the United Kingdom a branch or agency which at the same time gives evidence of a trade being exercised

within the United Kingdom and affords a means for the assessment and collection of tax. In this connection it may be observed that a general broker who deals with the discharge of a cargo or accepts freight for a foreign owner is not in practice regarded as an agent within the meaning of Rule 6.

If the suggestions above made are well founded it is apparent that the British Income Tax Act bears far less hardly on the American steamship owner than would the U.S.A. Income Tax Law of 1916 upon the British shipowner if the suggested interpretation be put upon it. According to the interpretation placed by the U.S.A. Treasury Department upon the words "the total net income received from all sources within the United States of America by every corporation . . . organised, . . . or existing under the laws of any foreign country," which appear in the Income Tax Law of 1916, the owners of foreign ships whose vessels touch even casually at American ports can be required to file reports and pay taxes upon "such portion of the charter money as represents compensation for the outbound voyage from the United States of America" less a proportionate part of the operating expenses. In two ways this marks an important departure from British law and practice. In the first place it is an attempt to levy tax from corporations who in no sense of the word carry on a trade within the U.S.A. (and hardly even trade with the U.S.A.). In the second place, as a matter of procedure and apart altogether from the substantive question whether tax is or ought to be leviable, it throws an onerous and almost intolerable burden upon the masters of British ships who may touch at American ports. The shipowner is only accessible by post and cannot directly be touched by penalties; it is only against his property or the person of his

representative who may touch casually at American ports that the law can be enforced. It is submitted that the assertion of a right to tax in this way constitutes a dangerous precedent, which, if it is copied in this and other countries, will at once hamper international trade and provide fruitful source of international disputes.

H. M. CLEMINSON.

March, 1919.

EVENTS OF 1918-19.

ADMIRALTY AND SHIPOWNERS.

Following upon the signing of the Armistice, the subjoined letter was received by the Chamber of Shipping from the Board of Admiralty :—

Admiralty, S.W.

15th November, 1918.

SIR,—On the occasion of the first meeting of the Board of Admiralty after the signing of the German Armistice, their Lordships desire, on behalf of the Royal Navy, to express their admiration and thanks to the owners, masters, officers and crews of the British Mercantile Marine, and to those engaged in the fishing industry, for the incomparable services which they have rendered during the war, making possible and complete the victory which is now being celebrated.

The work of the Mercantile Marine has been inseparably connected with that of the Royal Navy, and without the loyal co-operation of the former the enemy's submarine campaign must inevitably have achieved its object. The Mercantile Marine from the beginning met this unprecedented form of warfare with indomitable courage, magnificent endurance, and a total disregard of danger and death, factors which the enemy had failed to take into account and which went far towards defeating his object.

In no small measure also has the success achieved against the submarine been due to the interest taken by owners in the defensive equipment of their ships, and to the ability, loyalty and technical skill displayed by masters and officers in carrying out Admiralty regulations which, though tending to the safety of the vessels from submarine risks, enormously increased the strain and anxiety of navigation. The loyal observance of these precautions has been the more commendable since the need for absolute secrecy, on which safety largely depended, has prevented the reasons for their adoption being in all cases disclosed.

Further, the convoy system, which has played such an important part in frustrating the designs of the enemy and securing the safe passage of the United States Army, could never have attained its success but for the ability and endurance displayed by the masters, officers and crews of the merchant ships forming these convoys. This system has called for the learning and practising of a new science—that of station-keeping—the accuracy of which has depended in no small measure on the adaptability and skill of the engineers and their departments.

Their Lordships also desire to acknowledge the ready response of owners to the heavy calls made on the Merchant Service for officers and men to meet the increasing requirements of the Navy. On board our ships of every type, from the largest "Dreadnought" down to the smallest patrol boat, are to be found officers and men of the Merchant Navy who have combined with those of the Royal Navy in fighting the enemy and defeating his nefarious methods of warfare at sea.

The Merchant Service and the Royal Navy have never been so closely brought together as during this War. In the interests of our glorious empire this connection must prove a lasting one.

I am, Sir, Your obedient Servant,

(Signed) O. MURRAY.

The Secretary,

Chamber of Shipping of the United Kingdom.

AFTER-WAR TRADE.

The final report of the Departmental Committee on Shipping and Shipbuilding appointed by Mr. Runciman in March, 1916, was issued in June, 1918. The complete report, which is incidentally of much statistical value, is published as Parliamentary paper Cd. 9092 ; price 1s. 3d. net. The final report is signed by Sir Alfred Booth (Chairman), Professor W. S. Abell, Mr. James Brown, Sir George S. Clark, Sir Archibald Denny, Captain H. B. Hooper, Mr. Summers Hunter, Mr. James Redhead, Mr. J. A. Roxburgh and Mr. Oswald Sanderson.

COAL PRICES AND EXPORT TRADE.

The miners of Great Britain (January 1918) put forward a demand for an increase of 30 per cent. in wages, a six-hour working day, and the same wages for six hours as are paid for

eight hours. It is estimated that the concession, if granted, would be equivalent to an increase of 4s. per ton, and would add 15 per cent. to the cost of bunkering ships. The position which coal occupies as an outward cargo may be gathered from the following figures for 1913, the latest normal year :—

			Tons	Weight.
Weight of U.K. Coal Exports .. ..	..	..	76,690,000	
Weight of all other Exports .. ..	..	..	20,500,000	
				Net Tons of
				Shipping.
Required for Coal Exports .. ..	..	..	38,345,000	
Available for other Exports .. ..	..	..	29,474,701	
				<hr/>
Total Clearance of Ships with Cargoes ..	..		67,819,701	
Value of U.K. Coal Exports .. ..	..	..	£53,000,000	

The total shipments of coal from the United Kingdom in 1918 were less than half those in 1913, owing to the war, but values had, of course, largely increased.

FREIGHT RATES (EFFECT OF CONTROL).

The Prime Minister's statement that a decrease in rates of freight followed upon Government control of shipping was challenged at a meeting of the Executive Council of the Chamber of Shipping on December 12th, 1918. It was pointed out that a large increase had ensued, as was indicated by the following examples subsequently communicated to the daily press.

Rice.—Burmah to Europe—

December 1918 .. ..	..	..	500s.
March 1916 .. ..	..	..	190s.

Mixed Cargo.—U.S. Atlantic Ports to U.K.—

December 1918 .. ..	..	..	230s.
May 1916 .. ..	..	..	60s.
June 1915 .. ..	..	..	32s. 6d.

Coal.—Cardiff to River Plate—

December, 1918 .. ..	..	..	120s.
September 1916 .. ..	..	..	32s. 6d.

As from August, 1918, the rate of freight on lubricating oil, mineral, colza oil, petroleum jelly, paraffin wax and paraffin scale imported from the United States was increased from 120s. to 240s. per ton.

NORWEGIAN v. BRITISH EARNINGS.

The following comparative figures (compiled December 1918) illustrate the extent to which at that time earnings of a neutral steamer exceeded those of a controlled British steamer of the same deadweight capacity :—

Norwegian steamer of 4,000 tons d.w., built in 1905, will get on time charter—

	per month
46s. 6d. per d.w. ton	£9,300
Outgoings (say) £60 per day	1,800
Profit	£7,500

Her value is estimated at £150,000. The annual profit would be £90,000, or 60 per cent. on the value.

NOTE.—The very high value as compared with that of an equivalent British steamer is due to the fact that her earnings are uncontrolled, and that Norwegian ships are practically unpurchasable.

British steamer of 4,000 tons d.w., built in 1905, will get on time charter 16s. 6d. per month on the gross register (say 2,400 tons) under Blue Book Rates.

	per month
16s. 6d. per ton gross	£1,980
Outgoings (say) £38 per day	1,140
Profit	£840

Her value is estimated at £100,000. The annual profit would be £10,080, or 10 per cent. on the value.

NOTE.—The lower outgoings are in part due to the fact that the Government pays recent considerable additions to wages. The fall in value of British tonnage is due to its decreasing earning capacity.

The subjoined figures roughly give the profit per deadweight ton in the case of the Norwegian and British steamer respectively :—

Norwegian—Profit per month per d.w. ton ..	37s. 6d.
British—do. do. ..	4s. 2d.

IMPERIAL COMMUNICATIONS.

It was reported (July 1918) that the Imperial War Conference had agreed that shipping on the principal routes, especially between the heart of the Empire and the Oversea Dominions, including India, should be brought under review by an inter-Imperial Board on which the United Kingdom, British Dominions and Dependencies should be represented. For this purpose the Conference recommended that an Imperial Investigation Board should be appointed, with power to enquire and report on all matters connected with ocean freights and facilities, and matters connected with the development and improvement of sea communication between different parts of the Empire, with special reference to the size and type of ships and the capacity of harbours. The Board, it was agreed, should include representatives of shipping and trading interests.

REGISTER OF SEAMEN.

The Board of Trade and the Shipping Controller were reported (August 1918) to be arranging for the compilation of a complete register of shipmasters, apprentices and seamen, so that an effective comparison might be made between the existing supply and the demand which may be anticipated.

SALES TO FOREIGNERS.

It was stated by the Shipping Controller (January 4th, 1919) that he was prepared to consider on its merits any definite proposal submitted to him for the sale to foreigners of a British ship over fifteen years old, provided that an adequate guarantee was given that the amount realised would be invested in new tonnage.

Enquiry having been made of the Ministry of Shipping by the Chamber (February 1919) for further information regarding the terms on which licences will be granted for the sale of British ships of fifteen years and upwards, it is now understood that :—

(1) A contract for the building of a ship must be placed within three months from the date of the sale of the ship.

(2) It is not open to an owner to buy a ship now and sell one or two of his old ships later on.

(3) Owners will not be allowed to obtain complete freedom from requisition on sale of their boat to a foreigner; but if the vessel should be required by the Crown, owners will receive the current full market rate. They will be subject to direction and limitation rates. Vessels on requisition on February 28th and not in this country will be retained by the Government at present rates until their return to the United Kingdom. Delivery will not be permitted until the vessel is freed from requisition.

SHIPBUILDING (UNITED KINGDOM).

No official announcement has yet been made as to the merchant tonnage output of the shipyards of the United Kingdom in 1918. It was officially stated on November 13th that from January to September, 1918, just under 20,000,000 tons of merchant shipping passed through the Repairing Office, and that for heavy repairs exceeding one month 2,250,000 tons had been dealt with. This repair work naturally had its influence upon the shipbuilding ability of the country, which was estimated by Lord Pirrie, in November last, as 1,650,000 tons per annum, before further men were brought back from the Army. It was stated, in November, that 381,000 men were then engaged in shipbuilding, marine engineering and repairs, as compared with about 250,000 before the war, and that of the larger number 116,000 were employed in the production of new merchant tonnage.

SHIPBUILDING (UNITED STATES).

The gross tonnage of the shipping built in the United States in 1918 is given as 2,721,000 against 1,034,000 tons in 1917, and a pre-war average not much in excess of 300,000. Of the 1918 output 1,870,359 tons consisted of steel shipping.

SHIPBUILDING (WORLD'S).

Lloyd's Register returns for the year ending December 31st, 1918, offer the following comparison of vessels under construction.

United Kingdom.			
		Vessels.	Gross Tons.
December 31st, 1918	..	424	1,979,952
September 30th, 1918	..	383	1,746,933
December 31st, 1917	..	395	1,866,591

Practically the whole of this is steam tonnage. British Dominions and Allied and neutral countries had under construction between them on December 31st, 1918, 1,765 vessels, aggregating 4,942,037 gross tons, the principal items being :—

Gross Tons.		Gross Tons.	
British Dominions	278,711	Japan	278,140
Denmark	72,143	Norway	67,738
France	51,690	Spain	77,597
Holland	212,512	Sweden	99,639
Italy	133,010	United States ..	3,645,919

This 4,942,037 tons of shipping subdivides as follows :—

	Gross Tons.
Steel steamers and motor vessels	3,689,472
Wooden steamers and motor vessels	1,153,588
Steel sailing vessels	9,465
Wooden sailing vessels	89,512

The amount of steel steam tonnage under construction in the United States was 2,568,049 tons, as compared with 1,977,202 tons in the United Kingdom, and 139,656 tons in British Dominions.

For reasons which will be understood, these returns take no cognisance of merchant ships under construction in enemy countries.

SHIPPING ADMINISTRATION.

The following members of the Government who are concerned in shipping administration were appointed after the General Election of December 1918 :—

BOARD OF TRADE.

President, Right Hon. Sir Albert Stanley, M.P. ;

Parliamentary Secretary, Mr. W. C. Bridgeman, M.P. ;

Department of Overseas Trade (Development and Intelligence), Sir Arthur D. Steel-Maitland, Bart., M.P. (Additional Under-Secretary of State for Foreign Affairs and Additional Parliamentary Secretary, Board of Trade).

MINISTRY OF SHIPPING.

Minister, Right. Hon. Sir Joseph Maclay, Bart.;

Parliamentary Secretary, Colonel Leslie Wilson, C.M.G., D.S.O., M.P.

Colonel Leslie Wilson was subsequently appointed chairman of the National Maritime Board.

SHIPPING CONTROLLER'S THANKS.

Shortly after the conclusion of the Armistice the following letter of thanks was addressed by the Shipping Controller (Sir Joseph Maclay) to this Chamber and to the Liverpool Steamship Owners' Association :—

“ As a shipowner I express to you, my fellow shipowners, my thanks for the help you have given me during the past two years. As Shipping Controller I have had to concentrate the carrying power of our ships on the shorter ocean routes on which, in the course of a year, they could make the greatest number of voyages, and therefore bring in the greatest number of cargoes. In doing this I have been fully conscious that I have had to force many of you to abandon trades and business connections in every part of the world, which had taken you, at great cost, years of hard work to build up. And, beyond this, I have had to call on many of you to run your ships in trades for which they were never built, and in which, in consequence, they have been subjected to extraordinary strains and extraordinary depreciation. I have had to limit your opportunities to replace by rebuilding your losses, and I have had to ask you to postpone the renewals and overhauls necessary to maintain the value of your ships.

You have met each and all the demands I have made on you to the utmost. But, beyond all this, you have done what no Department of State could ever have done. You have continued to run your ships, not on your own account and for your own profit, but for the State. The State had power to take over your ships at reasonable rates of hire, but from the day on which I assumed my duties as Shipping Controller, I realised that, without your help, without your skill and energy, the State was powerless to run those ships to the best advantage of the nation and its Allies. I appealed to you for your help, and you gave it.

You placed freely at the disposal of the nation your own services and the services of the great organisations you have built up at home and abroad.

The First Lord has well expressed the gratitude of the nation for the manner in which the protection of the convoys was organised by the Admiralty. I would wish to express to you the gratitude of the nation for the manner in which you, as shipowners, have organised and got the utmost carrying power out of the trading ships which formed these convoys. Without your ships, without your skill and knowledge, and without your hard and anxious work, the nation could never have been fed, and the armies of the United States could never have been placed in the field at the right time and in the right place. The British Mercantile Marine has indeed played its part in winning the war.

May I make one last appeal to you all? There is still more to be done. If the nation is to reap the full benefits of victory we, as shipowners, must in case of need work together for some little time longer for the State, and during this period continue to use our ships, not primarily with a view to individual profit, but for the benefit essentially of the nation and its Allies. You have in the past responded to my appeal to the utmost of your power. I know that I can count on your continued help until the position is such as will enable the State to return to your unfettered control the ships you placed at its disposal, the possession of which has enabled the nation and its Allies to win the war."

SHIPOWNERS IN PARLIAMENT.

The General Election, December 1918, resulted in the return of the following shipowners to the House of Commons:—

Mr. C. C. Barrie (Banff), Mr. T. A. Blane (Leicester), Major H. R. Cayzer (Portsmouth), Mr. R. Burton Chadwick (Barrow-in-Furness), Mr. J. H. Cory (Cardiff), Mr. C. B. Edgar (Richmond), Col. Gilmour (Glasgow), Mr. J. C. Gould (Cardiff), Mr. R. P. Houston (Liverpool), Mr. R. M. Hudson (Sunderland), Mr. R. Mason (Wansbeck), Lieut-Col. Grant Morden (Brentford), Sir E. Nicholl (Penryn), Sir Owen Philipps (Chester), Sir W. H. Raeburn (Dumbartonshire), Mr. G. Renwick (New-

castle-on-Tyne), Sir T. Royden (Bootle), Mr. S. Samuel (Putney), Sir W. H. Seager (Cardiff), Mr. R. B. Stoker (Rusholme), Sir R. J. Thomas (Wrexham).

SHIPYARDS (NATIONAL).

In connection with the offer of the Government to sell certain of the national shipyards brought into existence during the war, purchasers were asked to state (January 1919) how far they were prepared to enlist the co-operation of labour by the adoption of the co-partnership principle or otherwise.

UNIFORM FOR OFFICERS.

An Order in Council authorising a standard uniform for the officers of the Mercantile Marine appeared in the *London Gazette* of September 6th, 1918. The Order (published by the Stationery Office at 1d.) gives full particulars of the uniform, which was approved by the King.

WAR CASUALTIES (MERCANTILE MARINE).

It was officially notified by the Admiralty (November 1918) that the war casualties of the Royal Navy totalled 39,766, including a number of officers and men of British merchant ships and fishing vessels serving on board H.M. ships and auxiliaries and other non-commissioned vessels. In addition, while pursuing their ordinary vocations, 14,661 officers and men of these classes lost their lives through enemy action, and 3,295 were captured and detained in enemy countries as prisoners.

WAR MEDAL (MERCANTILE MARINE).

The King (December 1918) approved of a special medal in recognition of the war services of the Mercantile Marine.

WAR-TIME LOSSES OF TONNAGE.

The following is the official record (Parliamentary paper Cd. 9221) of the gross and net losses of tonnage by enemy action and marine risk up to October 31st, 1918:—

WORLD.*

		Gross Tons.
LOSSES .. .. .	..	15,053,786
GAINS—New Construction	10,849,527	
Enemy Tonnage captured	2,392,675	
	<hr/>	13,242,202
NET LOSS		1,811,584

BRITISH.

LOSSES		9,031,828
GAINS—New Construction	4,342,296	
Purchases abroad	530,000	
Enemy Tonnage captured	716,520	
	<hr/>	5,588,816
NET LOSS		3,443,012

* This expression evidently takes no cognisance of enemy countries and ships in their ports.

Gross Losses.

Gross losses between the opening of the war and its close, distinguishing those arising from war and marine risks respectively, are stated to be as follows by Lloyd's Register of Shipping:—

WAR AND MARINE LOSSES OF MERCHANT STEAMERS.

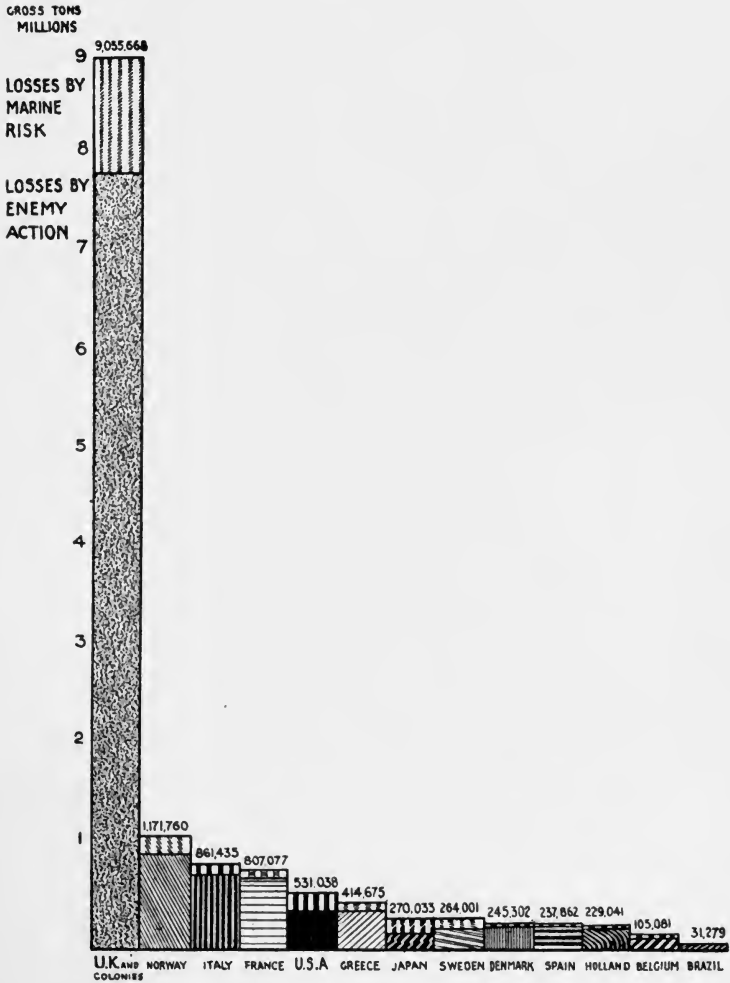
	War losses. Gross tons.	Marine losses. Gross tons.	Total. Gross tons.
United Kingdom	7,753,311	1,032,779	8,786,090
Dominions ..	169,712	99,866	269,578
	<hr/>	<hr/>	<hr/>
U.S.A. (sea-going)	7,923,023	1,132,645	9,055,668
Belgian	343,090	187,948	531,038
Brazilian	85,842	19,239	105,081
Danish	20,328	10,951	31,279
Dutch	210,880	34,422	245,302
French	201,797	27,244	229,041
Greek	722,939	84,138	807,077
Italian	349,661	65,014	414,675
Japanese	745,766	115,669	861,435
Norwegian	119,764	150,269	270,033
Spanish	976,516	195,244	1,171,760
Swedish	157,527	80,335	237,862
	180,415	83,586	264,001

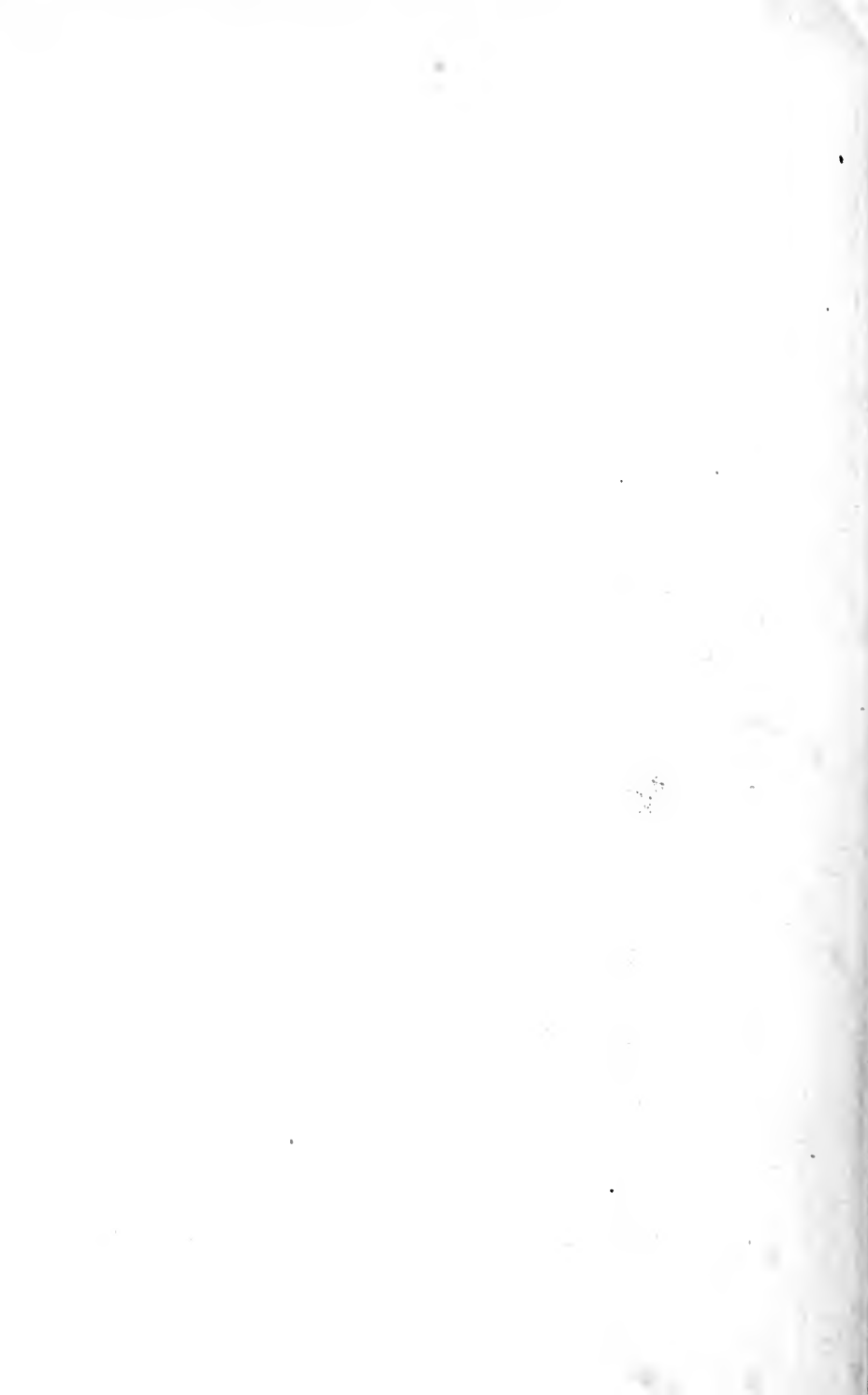
STEAM TONNAGE.

In a letter to *The Times* (January 1st, 1919), a past-president of the Chamber of Shipping gives the following statistics (based upon Lloyd's Register for 1914 and corresponding figures as far as possible up to the end of October 1918) with reference to the steam tonnage owned by Allied and neutral countries. Tonnage on the Great Lakes is not included :—

FLAG.	GROSS TONNAGE.			
	July, 1914.	Oct., 1918.	Increase or Decrease.	% on 1914 figures.
British—				
U.K. ..	18,892,089	15,031,375	— 3,860,714	— 20.4
Col. . .	1,631,617	1,828,561	+ 196,944	+ 12.1
Total ..	20,523,706	16,859,936	— 3,663,770	— 17.9
U.S.A. ..	2,069,637	5,116,521	+ 3,046,884	+ 147.2
Belgian ..	341,025	189,963	— 151,062	— 44.3
Brazilian ..	307,607	508,245	+ 200,638	+ 65.2
Danish ..	770,430	612,940	— 157,490	— 20.5
Dutch . .	1,471,710	1,030,137	— 441,573	— 30.0
French ..	1,922,286	1,536,730	— 385,556	— 20.0
Greek ..	820,861	259,174	— 561,687	— 68.4
Italian ..	1,430,475	989,575	— 440,900	— 30.8
Japanese ..	1,708,386	2,039,794	+ 331,408	+ 19.4
Norwegian ..	1,957,353	1,414,927	— 542,426	— 27.7
Spanish ..	883,926	671,425	— 212,501	— 24.0
Swedish ..	1,015,364	810,489	— 204,875	— 20.2

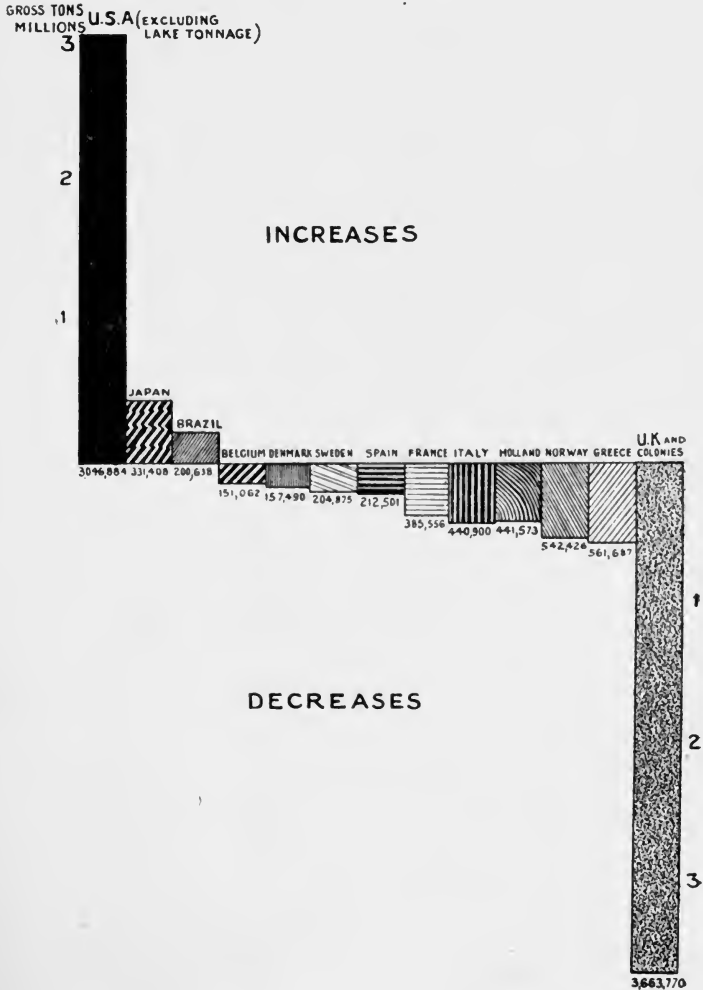
WAR TONNAGE LOSSES





NET LOSSES OR GAINS

NET WAR INCREASES OR DECREASES OF TONNAGE (STEAM)
OF THE MERCANTILE MARINES OF THE WORLD
(EXCLUDING ENEMY TONNAGE)

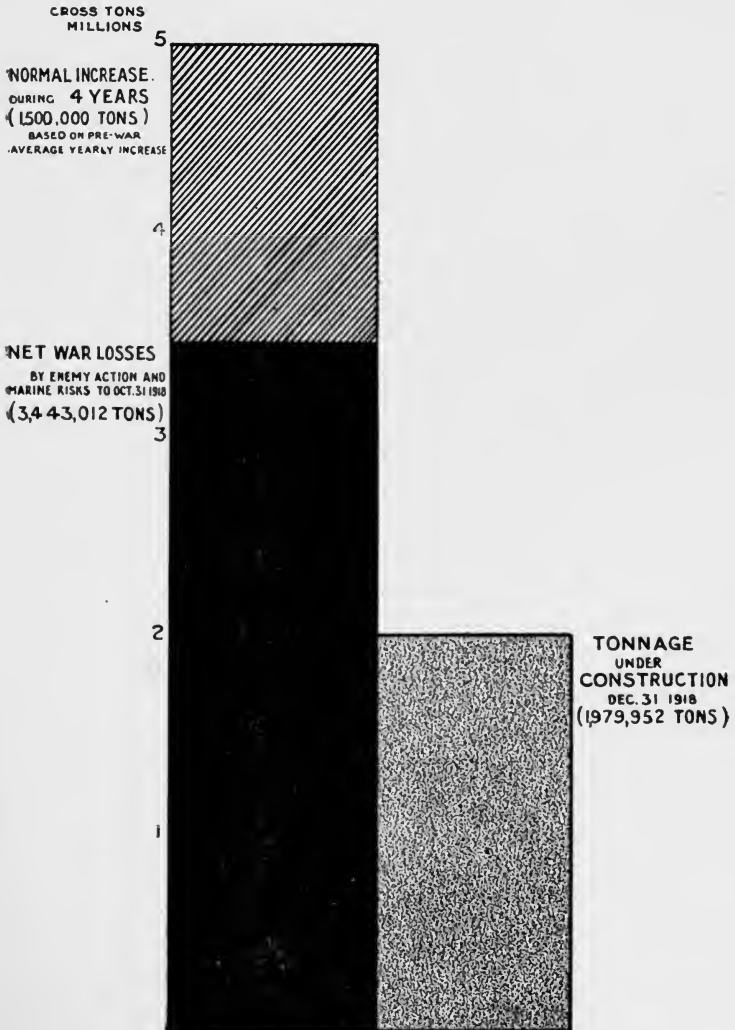


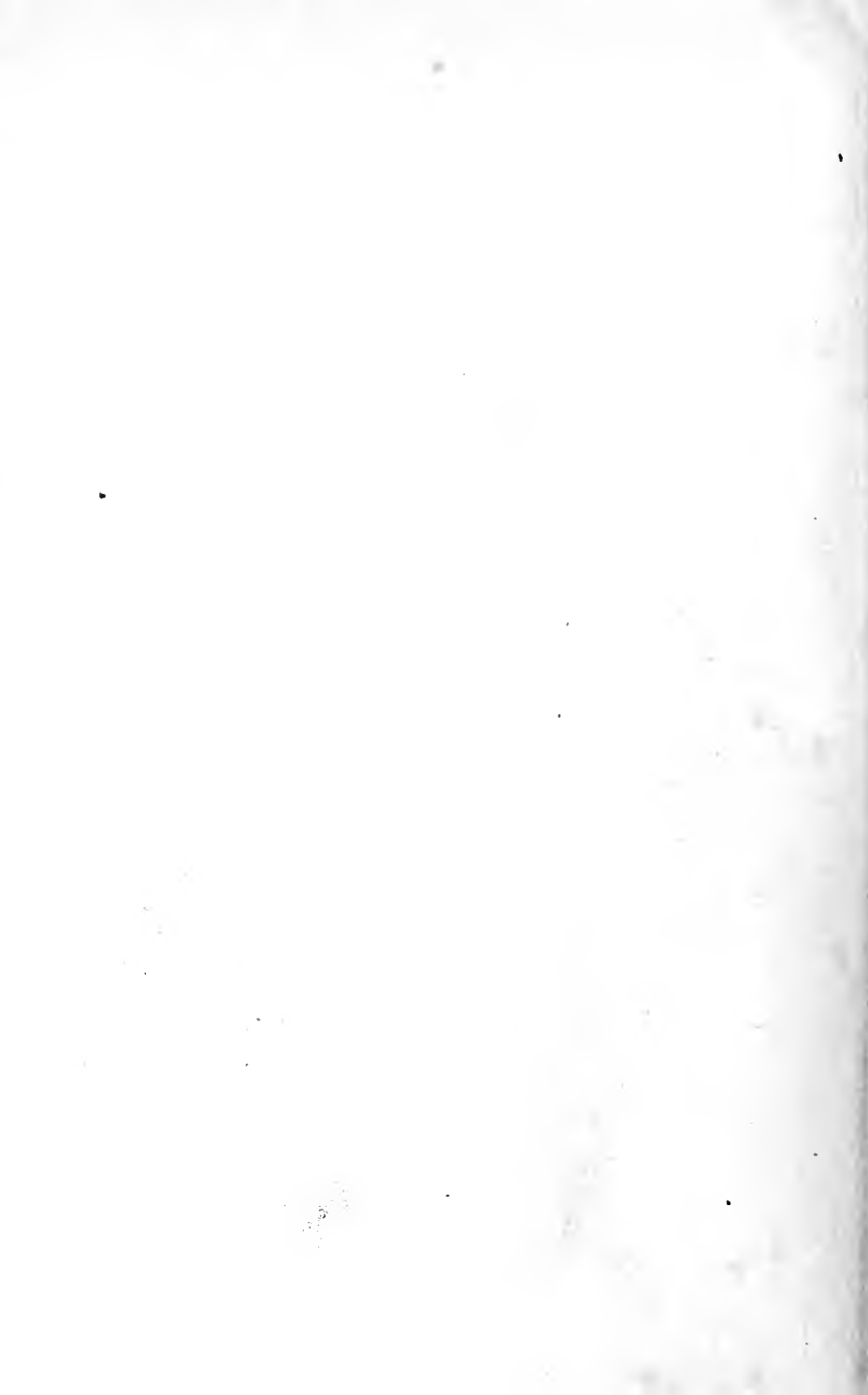


U.K. LOSSES AND CONSTRUCTION

WAR LOSSES OF THE BRITISH MERCANTILE MARINE AND
TONNAGE UNDER CONSTRUCTION IN THE UNITED KINGDOM.

(DEC. 31. 1918)





ENEMY TONNAGE

1914 AND 1918

GERMANY

GROSS TONS
MILLIONS 5,500,000

5

4

3

2

1

4,375,000 (IN GERMAN AND
NEUTRAL HANDS
ACCORDING TO
GERMAN ESTIMATE)

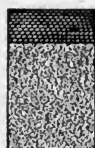
1914

1918

AUSTRIA - HUNGARY

HUNGARIAN
233,722

AUSTRIAN
812,343

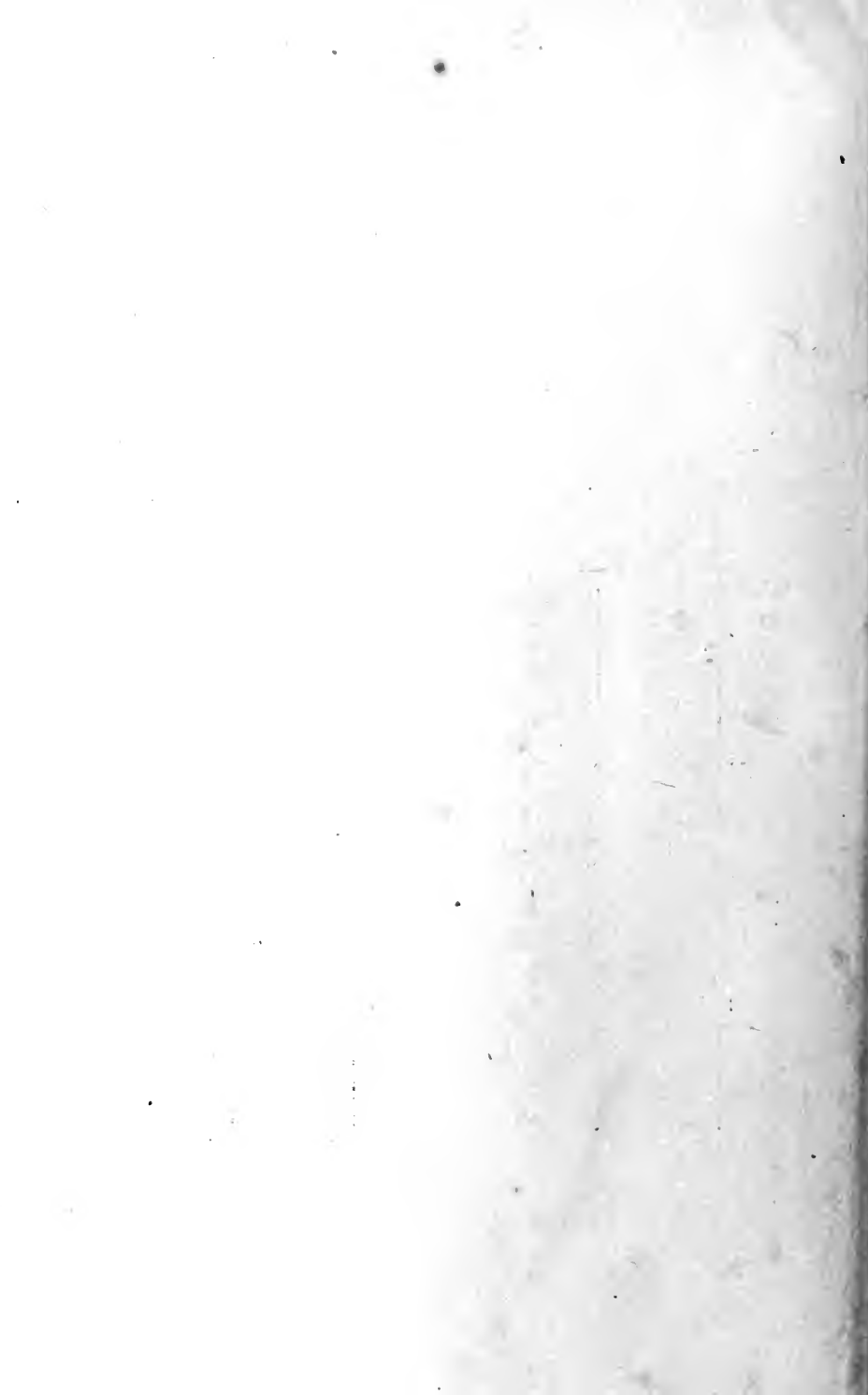


1914



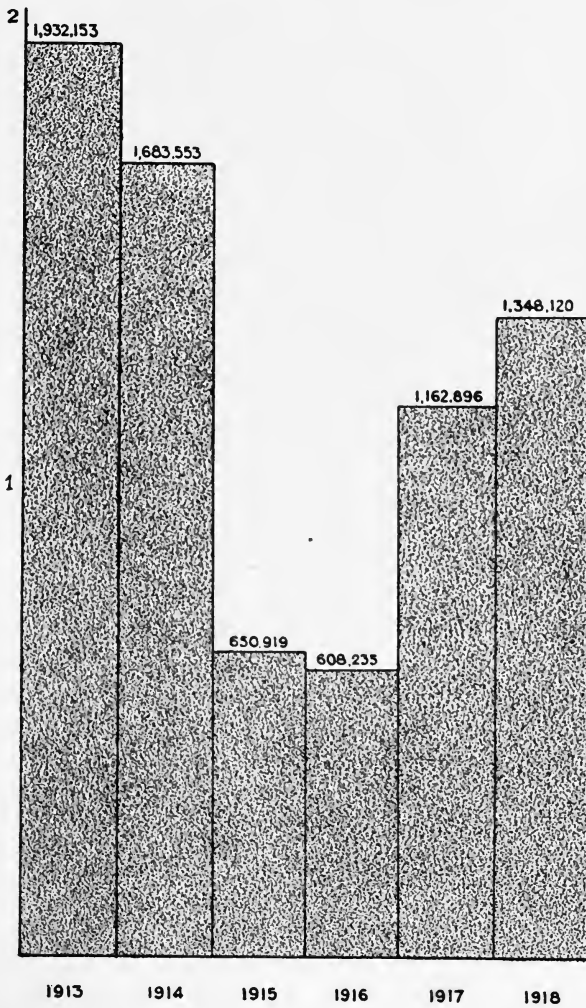
1918

156,145
560,557



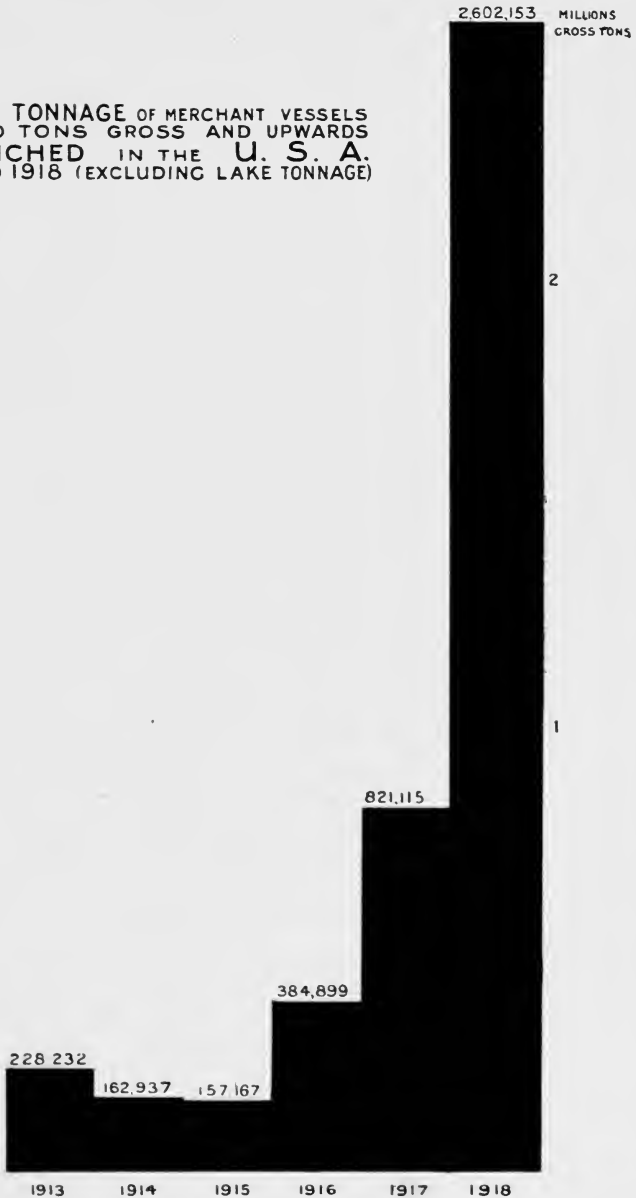
GROSS TONNAGE OF MERCHANT VESSELS OF 100 TONS GROSS AND UPWARDS
LAUNCHED IN THE UNITED KINGDOM 1913 TO 1918

MILLIONS
GROSS



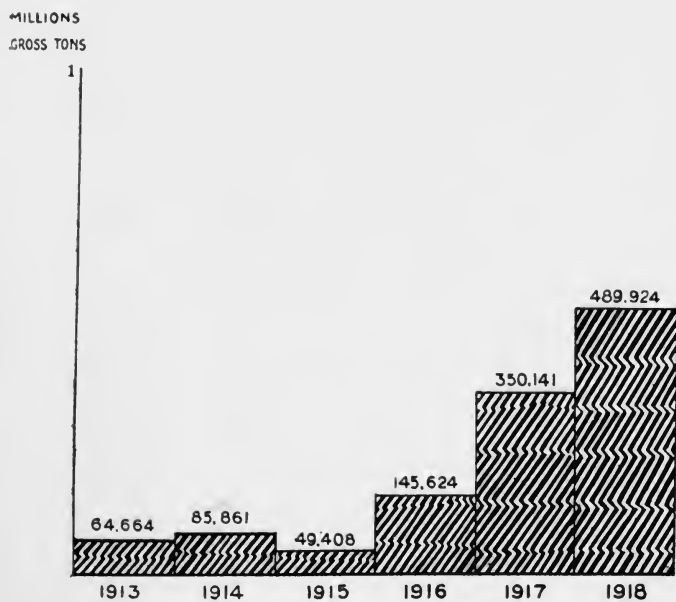


GROSS TONNAGE OF MERCHANT VESSELS
OF 100 TONS GROSS AND UPWARDS
LAUNCHED IN THE U. S. A.
1913 TO 1918 (EXCLUDING LAKE TONNAGE)



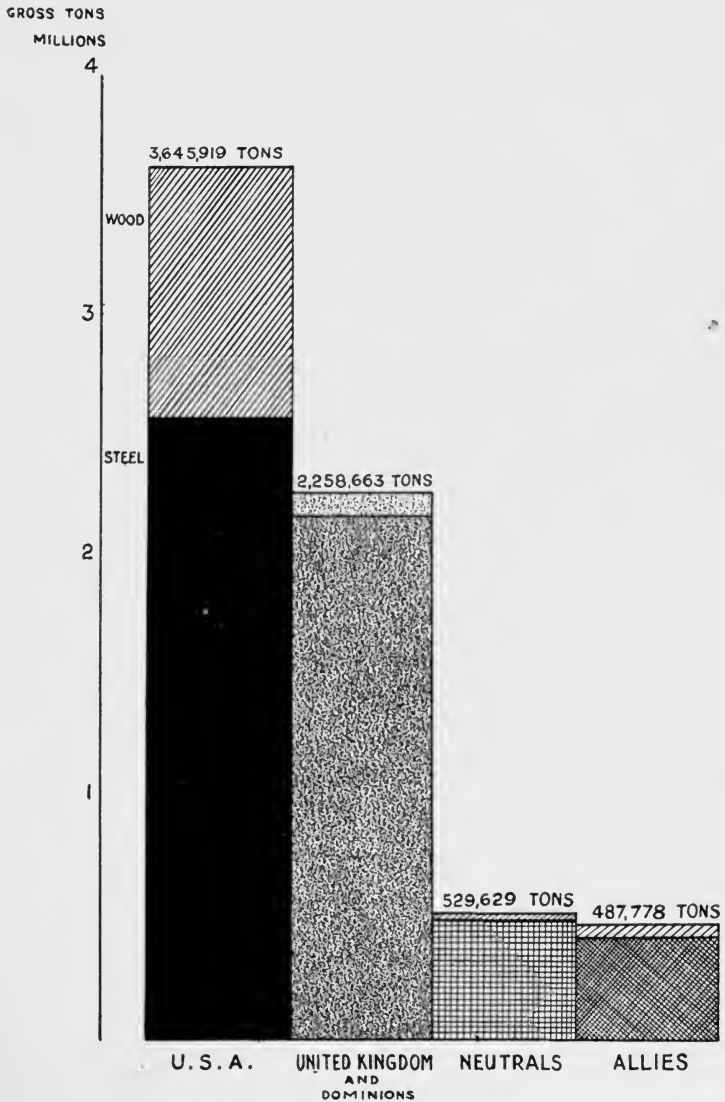


GROSS TONNAGE OF MERCHANT VESSELS OF 100 TONS GROSS AND UPWARDS
LAUNCHED IN JAPAN 1913 TO 1918.





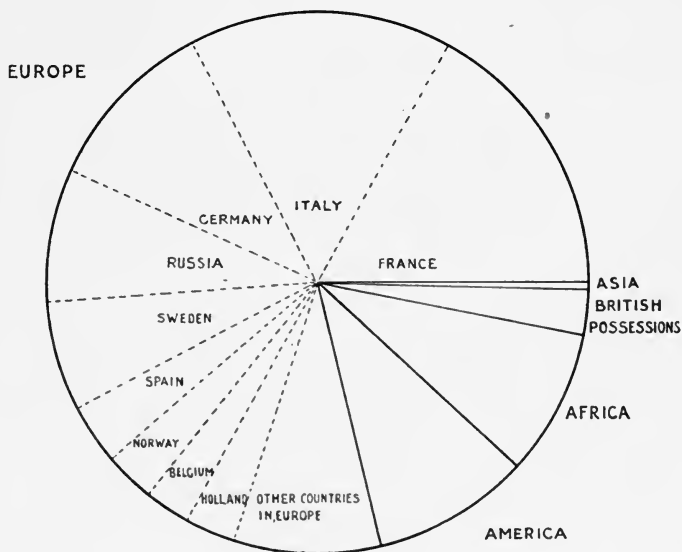
MERCHANT VESSELS UNDER CONSTRUCTION DECEMBER 31 1918



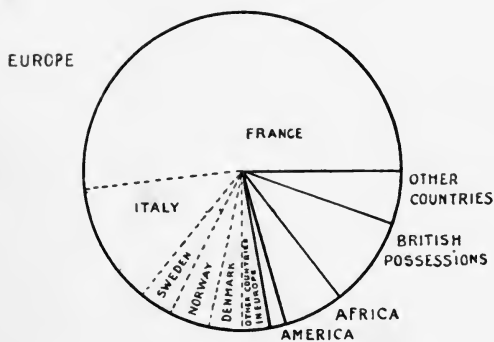


BRITISH COAL EXPORTS (EXCLUDING COKE AND MANUFACTURED FUEL)

1913
(73,400,118 TONS)



1918
(31,752,904 TONS)





MEMBERS OF VARIOUS COMMITTEES.

(The President, The Rt. Hon. Lord Inchcape, G.C.M.G., and Vice-President, J. Herbert Scrutton, Esq., are ex-officio members of all Committees of the Chamber.)

BLUE BOOK RATES COMMITTEE.

Sir William H. Raeburn, M.P., Glasgow (Chairman); Messrs. J. Constantine, Middlesbro'; Ernest Cook, Liverpool; R. J. Dunlop, Glasgow; Captain H. B. Hooper, London; Messrs. W. J. Noble, Newcastle-on-Tyne; Daniel Radcliffe, Cardiff; J. Emery Tully, Newcastle-on-Tyne; F. Shadforth Watts, London; Sir John Wimble, London.

Cargo Liners. Sub-Committee.

Messrs. Ernest Cook, Liverpool; Ralph C. Cowper, Dundee; Alastair Currie, London; William Cuthbert, Glasgow; A. S. Haller, Hull; The Rt. Hon. Lord Inverclyde, Glasgow; Mr. George Renwick, M.P., Newcastle-on-Tyne; Sir James H. Warrack, Leith.

Oil Tank Steamers. Sub-Committee.

Messrs. Joseph H. Jacobs, London; Archibald Maclean, London; E. H. Mundy, London.

BRITISH ENGINEERING STANDARDS ASSOCIATION.

Mr. J. W. Eason, Grimsby; Captain George Hodgkinson, R.N., London; Captain H. B. Hooper, London; The Rt. Hon. Lord Inverclyde, Glasgow; Messrs. Joseph H. Jacobs, London; Daniel Radcliffe, Cardiff; Sir William H. Raeburn, M.P.,

Glasgow ; Messrs. J. Emery Tully, Newcastle-on-Tyne ; J. W. Witherington, Newcastle-on-Tyne ; and Sir Aubrey Brocklebank, Bart., Messrs. H. B. Wortley and Walter J. Chambers, representing The Liverpool Steam Ship Owners' Association.

COMMERCIAL DEGREES.

The Rt. Hon. Lord Inchcape, G.C.M.G. ; Sir Kenneth Anderson, K.C.M.G., The Hon. Noel Farrer, Mr. J. Howard Glover, Captain H. B. Hooper, Mr. Howard Houlder, J.P., D.L., Sir Frederick Lewis, Bart., Messrs. J. Wilson Potter, J. Herbert Scrutton, Arthur Serena, H. J. Spratt, C. F. Torrey.

DEFENSIVE ARMING OF MERCHANT SHIPS.

Sir D. Carmichael, London ; Lieut.-Comm. A. B. T. Cayzer, London ; Mr. Joseph Constantine Middlesbro' ; Captain H. B. Hooper, London ; Mr. A. Hunt, London ; Sir Frederick Lewis, Bart., London ; Mr. H. R. Miller, London ; Captain R. J. Noal, O.B.E., London ; Mr. W. J. Noble, Newcastle-on-Tyne ; Sir William H. Raeburn, M.P., Glasgow ; Mr. Arthur Ritson, London ; Sir Walter Runciman, Bart., Newcastle-on-Tyne ; Sir William H. Seager, M.P., Cardiff ; Sir J. H. Warrack, Leith ; Mr. F. Shadforth Watts, London.

FINANCE COMMITTEE.

Messrs. F. J. Abbott, London ; D. I. Conradi, London ; J. Howard Glover, London ; L. C. Harris, London ; H. R. Miller, London ; Arthur Serena, London ; Sir James H. Warrack, Leith.

PILOTAGE COMMITTEE.

Mr. Ernest Cook, Liverpool ; Sir William Corry, Bart., London ; Capt. H. B. Hooper, London ;

Mr. E. P. Hutchinson, Hull ; Ald. R. Mason, M.P., Newcastle-on-Tyne ; Messrs. Daniel Radcliffe, Cardiff ; W. F. Robertson, Glasgow ; R. A. Somerville, Leith.

PUBLICITY COMMITTEE.

Messrs. J. Howard Glover, London ; F. A. Hook, London ; G. E. Matheson, London ; W. J. Noble, Newcastle-on-Tyne ; Daniel Radcliffe, Cardiff ; W. F. Robertson, Glasgow ; Capt. H. Samman, Hull ; Mr. William Turpin, Swansea.

RECONSTRUCTION OF THE CHAMBER COMMITTEE.

Mr. F. C. Allen, London ; Sir Kenneth Anderson, K.C.M.G., London ; Messrs. R. I. Dodsworth, London ; L. C. Harris, London ; Sir Owen Philipps, G.C.M.G., M.P., London ; Sir William H. Raeburn, M.P., Glasgow ; Mr. J. Herbert Scrutton, London ; Sir James H. Warrack, Leith ; Mr. F. Shadforth Watts, London ; Sir John Wimble, London.

SAILING SHIP COMMITTEE.

Messrs. J. W. Eason, Grimsby ; John Fisher, Barrow-in-Furness ; W. M. Good, Hull ; W. A. Jenkins, Swansea ; J. Emlyn Jones, Cardiff ; John Marwood, Liverpool ; R. M. Mason, M.P., Newcastle-on-Tyne ; Alfred Nicholls, Newcastle-on-Tyne ; J. H. Stokes, Plymouth.

TRADE AFTER THE WAR COMMITTEE.

Sir Kenneth Anderson, K.C.M.G., London ; Sir Percy Bates, Bt., London ; Mr. T. F. Harrison, Liverpool ; Sir Norman Hill, Liverpool ; Captain H. B. Hooper, London ; Messrs. W. W. Jones, Cardiff ; G. H. Melly, Liverpool ; Sir James Mills, K.C.M.G., London ; Sir Wm. H. Raeburn, M.P., Glasgow ; Messrs. Harold A. Sanderson, London ; A. Scholefield, Newcastle-on-Tyne.

WAR COMMITTEE (SPECIAL).

Messrs. J. Herbert Scrutton, London (Chairman); F. C. Allen, London; J. Sandeman Allen, Liverpool; J. W. Clark, London; R. I. Dodsworth, London; R. J. Dunlop, Glasgow; T. H. Harper, Liverpool; Frank Holman, London; A. Hunt, London; Cuthbert Laws, London; H. R. Miller, London; Edward F. Nicholls, London; Captain R. J. Noal, London; Messrs. Arthur Ritson, London; C. I. de Rougemont, London; A. R. T. Wood, London; Captain F. H. Wyse, London.

APPENDIX.

LIST OF CIRCULARS ISSUED SINCE 6TH MARCH, 1918.

Folio.

Subject matter.

- 19/18—Ships' Provisions.
- 20/18—Wear and Tear Allowance for Income Tax Purposes.
- 21/18—Sailing Ships Limitation Rates U.K.—France.
- 22/18—Additional Boats, etc.
- 23/18—Scale of Provisions.
- 24/18—Supply of Blankets.
- 25/18—Excess Profits Duty.—Wear and Tear Allowance.
- 26/18—Military Service Act.
- 27/18—Supply of Blankets.
- 28/18—Marconi Agreement.
- 29/18—Supply of Coal to France and Italy.—Sailing Ships.
- 30/18—Depreciation of Second-hand Steamers for Income Tax Purposes.
- 31/18—Norwegian Customs Officers.
- 32/18—Carriage of Live Stock for Crew, etc.
- 33/18—Military Service Act, Staff of War Risks and other Associations.
- 34/18—Stopping Engines in Cases of Casualties.
- 35/18—Decimal Coinage Bill.
- 36/18—Blue Book Rates (Revised Scale).
- 37/18—Military Service Act.
- 38/18—Persons Visiting Ships in Norwegian Ports.
- 39/18—Supply of Provisions to Vessels Trading to the Channel Islands and Northern French Ports.
- 40/18—Supply of Blankets.
- 41/18—Supply of Provisions to Vessels Trading to the Channel Islands, etc.
- 42/18—Changing Ships' Names.
- 43/18—Military Service Act.
- 44/18—Supply of Provisions to Vessels trading to Channel Islands, etc.

*Folio.**Subject matter.*

- 45/18—Whitley Report.
- 46/18—Budget, 1918.
- 47/18—Supply of Blankets.
- 48/18—Defensive Arming of Merchant Vessels.
- 49/18—Blue Book Rates. Oil in Double-bottom and/or Deep Tanks.
- 50/18—Depreciation Allowance for Income Tax and Excess Profits duty.
- 51/18—Extension of Functions of Regional Committees.
- 52/18—Precaution in Scaling Boilers of Ships.
- 53/18—D.O.R.R. 24—Exemption of certain Shipping Documents.
- 54/18—Merchant Ships' Compasses.
- 55/18—Navigation of Rivers.
- 56/18—Tea Sweepings.
- 57/18—Merchant Ships' Compasses.
- 58/18—Timber Deck Loads.
- 59/18—Tea Sweepings.
- 60/18—Payment of Hire for Shelter Deck Steamers and others. Unmeasured Spaces.
- 61/18—Blue Book Rates—Cargo Liners, etc.
- 62/18—Enemy Restitution of Tonnage.
- 63/18—Imperial War Conference, 1918.
- 64/18—Depreciation Allowance for Income Tax and Excess Profits Duty.
- 65/18—Company Law Amendment Committee Report.
- 66/18—Letter of appreciation to Shipowners from Shipping Controller.
- 67a/18—Letter of appreciation to Shipowners from Admiralty.
- 67/18—Reply of Chamber of Shipping to Admiralty.
- 68/18—Reply of Chamber of Shipping to Shipping Controller.
- 69/18—Belgian Trade—Short Traders.
- 70/18—Belgian Trade—Deep Sea Traders.
- 71/18—Belgian Trade—Copy Letter to the Shipping Controller.
- 72/18—"Freedom of the Seas."
- 73/18—Demobilisation.

*Folio.**Subject matter.*

74/18—Defensively Armed Merchant Vessels.

75/18—	} General Election.
76/18—	
77/18—	

78/18—Dutch Trade.

79/18—Belgian Trade.

80/18—	} Circulars.
81/18—	

82/18—Safety of Life after Fumigation of Holds.

83/18—Supply of Blankets.

84/18—Bunkers.

85/18—General Election.

86/18—Standard Ships.

1/19—Standard Ships.

2/19—Blue Book Rates, Demised Vessels, Shelter Deck Allowances, etc.

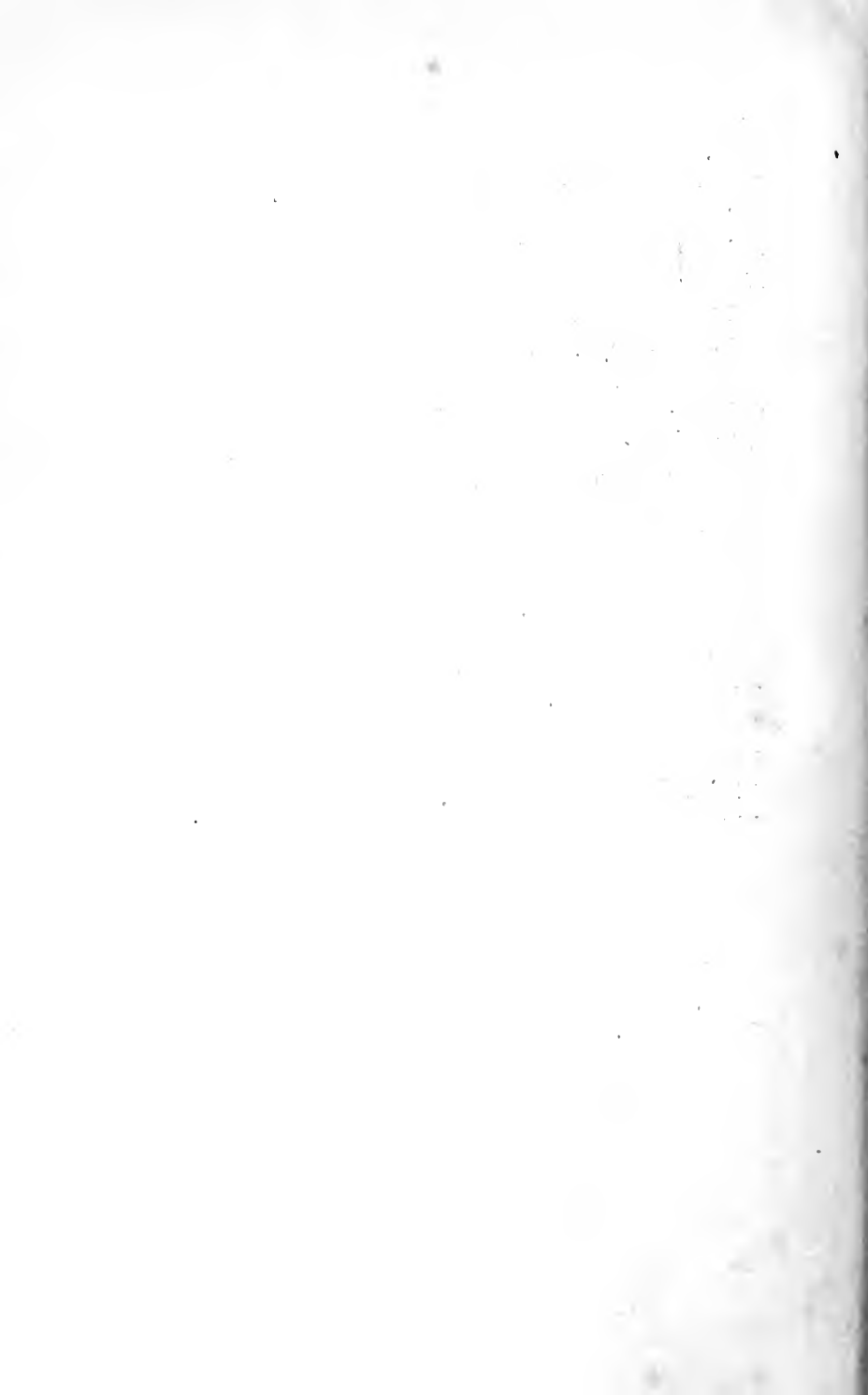
3/19—Dutch Trade.

4/19—Standard Ships.

5/19—Booth Committee Report.

6/19—Victualling of Gunners. New Scale.

7/19—Blue Book Rates—Shelter Deck Allowances, etc.



ANNUAL MEETING.

REPORT OF SPEECHES.



ANNUAL MEETING.

REPORT OF SPEECHES.

LORD INCHCAPE RE-ELECTED PRESIDENT.

Sir WALTER RUNCIMAN, at the opening of the proceedings, said : Lord Inchcape, our President, will not be able to be here to-day, nor will the Vice-President (Mr. J. Herbert Scrutton), and I have much pleasure in moving that the ex-President, Sir William Raeburn, occupy the chair to-day. No one, I am sure, will fill it with more dignity and satisfaction than he. (Applause.)

Mr. SHADFORTH WATTS : I have much pleasure in seconding. I will just add that in accepting the Chair he will be adding another great favour to the many he has conferred on the shipping community.

The resolution was carried unanimously.

Sir WILLIAM RAEburn, who then occupied the Chair, said : Gentlemen, no one regrets more than I do that our esteemed President and our esteemed Vice-President are not here. Lord Inchcape, as you know, has fallen a victim to the influenza, and is now recovering—I am glad to say—and has been advised by his doctor to take a cruise, and to-day I expect he is on the high seas. (Applause.) I am also exceedingly sorry that our Vice-President is not able to be with us. He is suffering very greatly from the strain which has been on him during the last strenuous years, and though he would have liked to have been with us to-day, he said he felt he would be acting against the doctor's advice in doing so.

A position quite unusual in the Chamber of Shipping occurs to-day, for I do not remember in the whole course of my connection with the Chamber any occasion on which the ex-President has had to take the Chair. I feel highly honoured in the confidence you have placed in me, and I hope I shall be able to fulfil the duty of the Chair to your satisfaction. I must express our gratification that we are again privileged to meet in this most beautiful and ancient hall. (Applause.) We are greatly indebted to our old and esteemed friend, Sir Thomas Devitt, for that privilege. (Applause.)

It is no use taking up the time of the meeting by reading the minutes of the last meeting. We will take them as read.

The first business I have is to propose the adoption of the Annual Report and Accounts. That will not require more than a few words. We have the Report here—all of you have a copy—and I think you will agree with me that it is the best, fullest and most unique report that the Chamber has ever issued. It is full of the most valuable information, and you will see in that—if you are not already acquainted with it—the good work that has been done. (Applause.)

FINANCE.

Coming to the matter of finance, you will see that while our income has gone up enormously, the expenditure has also gone up. I think if that Report could be seen by some of the Presidents of the early days of the Chamber, they would scarcely believe it. The old state of matters used to be great anxiety regarding the very meagre income, and whether we should be able to get together as much as would cover our rather slight expenditure. Now, here we have got into the five figures. But I think, if you look down the Accounts, you will see that the money has been usefully and well spent, and that after all a contribution of from one-eighth to a farthing per ton is not a very formidable levy upon what is considered by the public one of the most lucrative trades in the Country. There are items in this Annual Account that will not occur again. But others, I take it, will.

I think altogether the expenditure has been fully justified, and I consider that our organisation is now in full and effective working order. If we do not exceed the expenditure of last year, I think for the work done we are giving very good value. (Applause.) Without any further words I will ask you to adopt the Annual Report and Accounts.

Before I put that to the meeting, I will call upon Sir James Warrack to second the adoption of the report.

Sir JAMES WARRACK: I have much pleasure in seconding the motion.

The motion was carried unanimously, and the report was declared adopted.

THE CHAIRMAN: The next matter before the meeting is a vote of thanks to our President for his work during the last year, and his re-election.

RE-ELECTION OF THE PRESIDENT.

Sir OWEN PHILIPPS : I have much pleasure in proposing that a hearty vote of thanks be accorded to our retiring President (Lord Inchcape), and in proposing his re-election. In my view, British shipowners and British shipping have a very difficult time to face in the coming year. If British shipping is to face it successfully it will only do so if the Government regulation of trade and shipping is not only released, but all the war restrictions are removed as soon as peace is declared—(applause)—and in proposing that our friend Lord Inchcape should be re-elected and thanked for what he has already done, I think we shipowners are considerably indebted to our President for the past year.

We have had many able Presidents, but we are deeply indebted to him for the public stand he has made and the action he has taken during the past year in trying to ease the regulations which are hampering the trade and the commerce of the Country. I hope that you will unanimously re-elect him President for the coming year, and that the work that he has done in the past will not permanently impair his health, and that his stay in Egypt, where I am glad to say that he has gone for a rest, will enable him to return and do further good work for the Country and for British shipping. I have much pleasure in proposing his re-election.

Sir WALTER RUNCIMAN : In supplementing what Sir Owen Philipps has so very well said about the President, I would like to tell you what I think you all know. (Laughter.) Lord Inchcape is a great power in the commercial world. We should have done badly without him during the past four years. (Applause.) He is a great reticent power, and perhaps reticence has more weight sometimes than profuseness. He has an atmosphere. I know that because I have felt it, and of his courtesy, and of that of the Vice-President, we cannot say sufficient. Lord Inchcape has broken down some of the most moth-eaten creatures that ever were bred. (Laughter.) He has done it without you or I knowing it. I am only speaking of what I know. There are many things I do not know that he has done, but I do know that he has been a great force in protecting the interests of the commercial community of this Country. (Applause.)

I regret that his health has broken down, and no wonder. A man cannot stand the racket of four mortal years night and day without it having an effect upon him. He is no longer a young man. We are glad to have him as President once more. We have been very lucky in Presidents, but we have never had a man who has excelled the great services of Lord Inchcape, and I have unusual pleasure in seconding the vote of thanks and the proposition that he should be President for next year. (Applause.)

The resolution was carried unanimously.

The CHAIRMAN: The next subject on the agenda is "Speech by the Chairman." Well, of course, the usual thing is a speech from the retiring President. There is not a retiring President this time, and there is not a President here to make a speech. In the first place, I am going to read you Lord Inchcape's letter, and then afterwards I am going to crave your indulgence while I run over a few points of importance. Lord Inchcape writes:—

My dear Sir William,—By the worst of bad luck I was knocked down by influenza on Feb. 20, and have been in bed since then till yesterday, when I was allowed up for an hour or two. My doctor insists on my going away at once for a change before resuming work, and I take ship to-morrow morning for a cruise in the Mediterranean.

It is a severe disappointment to me not to be able to preside at the General Meeting of the Chamber on Friday, but this, you will appreciate, is an impossibility. I had been looking forward to meeting the members, and to giving a résumé of our stewardship for the year, in augmentation of the official report, and to saying a few words generally on the position of shipping. We are now approaching the end of the war. We have had a trying five years, but no one can say that we have attempted to exploit the nation, or that we have in all our dealings with the Government and the Country been other than fair and reasonable. This is fully borne out by the letters the Chamber and the various Conferences received from the Admiralty and the Controller of Shipping when the Armistice was signed, and which are published with the Report. These letters, coming quite spontaneously and unsolicited, have proved a great source of satisfaction to the shipping community, and for years to come will, I feel sure, be the sheet anchor of friendly relations and confidence between the Government, the public, and the shipowners of Great Britain.

I believe the Chamber has lost nothing in power, position, or prestige during the past year. We have not gone in for taking up every question that came forward, whether it concerned us or not, merely with a view to advertising ourselves. I hope the Chamber will never do that, otherwise it will lose its influence; but we are watching carefully all questions and proposals put forward which will affect shipping, and we appreciate that the Departments of Government are disposed to give us every opportunity of expressing our views before committing themselves to a policy which they may find, on full consideration of all the facts, would be injurious to trade and a benefit to no one.

I would have liked to have had the opportunity of expressing my grateful thanks to Mr. Herbert Scrutton for his services to the Chamber during the past year. No one knows as I do the amount of unselfish work he has devoted to the Chamber's business. I would also have liked to say how glad I am to welcome my friend Mr. Noble as Vice-President. I hope to see him elected President of the Chamber this time next year.

In Mr. Cleminson the Chamber has discovered a treasure, full of energy, gifted with infinite tact, with a fund of legal knowledge, and with great ability. He is proving an excellent General Manager. There is only one thing against him. He is rather inclined to kill his President by overworking him, but in this respect, I feel sure, the older he gets the better he will be.

To yourself, my dear Sir William, my grateful thanks and those of the Chamber are due, and I would like to express them again. I deeply regret my inability to be with you on Friday, but I am sure you and the members will realise that it is through no fault of my own.—Yours sincerely,

INCHCAPE.

The CHAIRMAN, continuing, said: Well, gentlemen, I had hoped that the President would have so far recovered before this meeting that he would have been able to write out his address, which our General Manager would then have read. But I felt I could not press the point when I heard how ill he had really been, and so I am in this position to-day—as I only got his letter the day before yesterday—that I have to come before you without any written speech. Apart from other considerations, I have been in a perfect whirl of engagements

and business during the past week. I think you will all have noticed in the papers that there are tremendous subjects before the country at the present time and numberless Committees have been appointed to deal with these. I think I have done a very foolish thing in taking upon myself another burden of work in going into the House of Commons. ("No, no.") Nothing sent me there or induced me to go there, of any political kind, or any seeking after kudos, but I felt we were sure to have great questions of trade and commerce, and especially of shipping, before the House in the coming Session, and we have always been very badly off for shipping representatives in that assembly, and I thought, as I say, without counting fully the cost, that it was my duty to go there if I could and to do what I possibly could, not only for shipping, but for the country itself. Well, all these duties have made it impossible for me, at such short notice, to write out any speech, and therefore I am going, as briefly as I can, to touch upon some of the subjects that probably at an annual meeting one expects to be dealt with.

THE WORK OF THE CHAMBER.

I need not go into any detail about the work of the Chamber during the past year. As I have said already, it is contained in this report, and you will see we have not been idle by any means. I have always, in my two years' Presidency, hoped that before I vacated the chair we should have seen the end of the terrible turmoil and fighting which the nations of the world were engaged in. That did not fall to my lot, but it is a strange thing that I should be presiding here, not as your President, but as a former President, when we are able to congratulate ourselves that we have come to the end of the war, and that we have been successful even beyond the expectations of anyone who sat in this room last year. (Applause.)

THE RECONSTRUCTION PERIOD.

But although we have won the victory in the field, there is a great deal yet to be done before we get back to what I will call peaceful working, and I hope this Chamber will play its part in the re-construction which is bound to follow. We have done our part, I think, in the past five years, as the President, Lord Inchcape, has said. We have had a great deal of contumely and a great deal of abuse heaped on us. We have been held

up as purely profiteers, but I think we can live all that down. We have the sense, in our own consciences, that we have done our duty, and I think we have had splendid testimony from the Government itself in those letters to which his Lordship has referred, namely, the letters from the Admiralty and the Ministry of Shipping. They were quite unsolicited, and, honestly speaking, I never expected we should have had them. We have got them, however, and I think they are a very precious legacy to hand down to future generations. (Applause.) There are many things of importance that have engaged our attention since last year—the Blue Book rates, among other things. I am not going to refer specifically to that except to say I think we succeeded in getting a fair measure of assistance from the Ministry of Shipping over that question. There are some after-maths still to be dealt with, but I think there is a prospect that when we have finished with all this control and with the Ministry of Shipping there will be no feeling of disappointment and no antipathy, but that we shall finish off as very good friends. (Applause.)

A TRIBUTE TO SIR JOSEPH MACLAY.

I can say this from my connection with the Ministry of Shipping, that shipowners are deeply indebted to Sir Joseph Maclay, and to other shipowners there, for the courtesy they have always extended to us, and the patient hearing they have always given us. While they have not always yielded to our requests or solicitations, I may say they have dealt very fairly by us. Then we come to the great question of the release of tonnage. I do not know if we are all as impatient as some are. I have my own personal views about the release of shipping, and for a period I am not very sorry I am not getting my boats back, but there is one thing we are all in favour of at the earliest possible moment, and that is the taking off of Government control, whether it be of shipping, exports or imports, or any other thing. You can quite realise there are some controls that will still have to be exercised for some little time. I had a conversation with Sir Joseph Maclay not very long ago, and I can quite realise his difficulty, because it is not only the Ministry of Shipping that has requirements for vessels, but there are other Departments of State, and I do not envy the Controller's position when all these things are taken into account, because he cannot do all I am sure he would like to do. He has already given us his word that there is no thought in the minds of the Ministry of Shipping of the nationalisation of British shipping.

LORD INCHCAPE'S ENTERPRISE.

It was a wonderfully patriotic and splendid piece of enterprise on the part of Lord Inchcape and his friends in relieving the Government of so many of the standard ships. (Applause.) I do not know how his Lordship got on over the sale of them, but I think from what he said to me, he was quite satisfied over his deal. That brings me to say a word about a curious thing that has happened, namely, the letter that was sent out to the Chamber with regard to the sale of old ships to foreigners. I do not think anybody who read the original proclamation that we could sell to foreigners, could have any doubt about the meaning of that document. But there came out, I think somewhere about a month later, a second letter which seemed to imply that the original statement was liable to be misunderstood. Then we were told that of course we should have understood this was implied at the beginning, that the Government were not going to let the shipowner walk away with all the high prices he got, or could get, from the foreigner, and that the Government were going to take the modest sum of 75 per cent. of the difference between the British price—if anybody could ever say what that is—and the foreign price. The Chamber strongly protested. I do not know the latest phase, but I think it is going to be that instead of putting us in doubt as to what the value is upon which they are going to take 75 per cent., the price got from the foreigner will be subject to a deduction of, it is said, 15 per cent. At any rate, whatever it is, you will know what you are doing, and you can either put it on the foreigner or weigh up in your own minds whether it is best to sell the ship minus the 15 per cent. or hold on to it. Personally I think if we get the subject removed from doubt when talking about the difference in the home value and the foreign value, we shall have accomplished something.

THE PROBLEM OF TAXATION.

Now we come to the question of taxation, which has weighed very heavily upon us, and in which we have been subjected to exceptional treatment—I mean the Excess Profits Duty. There are rumours that it is coming off altogether, but we can get no definite declaration. Some say it is going to be greatly reduced, but you will see the state of our finances, and it is a very tempting thing for a Chancellor of the Exchequer to keep it on, for it has produced an enormous sum of money. There is a forecast of the Budget in the papers this morning, and the

arrears of the Excess Profits Tax still to collect come to a very large sum, and it may be that the Chancellor may be content to do with that at present, or for the coming year, and relax the duty altogether. It was a definite promise given to us at the time by Mr. McKenna that it was only to be for the duration of the war. Another promise Mr. McKenna made was that it was to be averaged for the war, and you know what a later Chancellor did in regard to that. That promise was unfulfilled. Many of us would have had a large sum of money last year to recover from the Excess Profits Duty, if the average had been taken. This tax is a great hindrance not only to shipping business, but every enterprise in the country. As to the charges of profiteering which have been spread even more persistently since the Armistice than before, I do not think the country realises that even the big prices obtained for recovery are quite inadequate to replace the tonnage we lost. So that if you made a profit and loss account to the end of the war, I venture to say there is scarcely one company but would be in the position of replacing a proportion only of the total tonnage. (Applause.) I wish that could be got into the public mind more.

It is not our fault that the money has not been invested in shipping, because we were not allowed to build. Now, when tonnage has to be secured which the Government built, you have Lord Inchcape's splendid example in taking it, and the Government have had the benefit. I should think the great bulk of the funds recovered have been placed in National Bonds or in some other National Securities, and the Country has had the benefit. I only wish one could get the real facts brought out to the public mind, because no trade in the Country is so misunderstood as shipping. When the price of commodities went up, the blame was cast on the shipowner. As a matter of fact, but for the shipowner we should all have been starving to-day, and the war would never have been won. (Applause.)

INDUSTRIAL UNREST.

We are now in a period of great industrial unrest. There are all sorts of attempts being made to bring Capital and Labour together, and unless Capital and Labour work hand in hand there is nothing but disaster before this country. (Applause.) You may pay higher wages, but they can only come out of the product of Labour. Workmen ask for shorter hours and higher pay. No one wishes to see more than I do the workman having more leisure and a better life, but unless he is going to work to produce that which will give him shorter hours, he

will never attain the objects he is out for. And it must always be remembered that we are in competition in this Country with all the nations of the world.

THE COAL COMMISSION.

There is a Coal Commission sitting. That Coal Commission I suppose you have all been following with some concern and deep interest. My regret is that up to the present time there has been no shipowning evidence. The only evidence about shipping that I saw was a very strange statement made by one of the witnesses who evidently did not know anything about shipping. But we know that if coal becomes so dear that we cannot compete with other countries that produce it, it would be one of the biggest blows that could be dealt at the shipping of this Country, especially the tramp shipping.

We view with great concern the decision of that Commission, To me it is not a satisfactory Commission, because it is loaded with representatives out not for judgship, but who seem to desire the nationalisation of mines at all costs.

WAYS AND COMMUNICATIONS BILL.

There is just one more point, and that is the Bill launched upon us the other day—the Ways and Communications Bill. Here again there is an attempt at unstinted Government control and centralisation. In that Bill the Government seeks to assume the control of railways, roads, canals, electricity and docks and harbours, and to do this, not by the consent of Parliament, but by a clause which enables them by Order in Council, and after a lapse of two years—during which we are all to be held in suspense—if they like, to put all these great undertakings under one Minister. I do not know whether that man is a superman, but I do not think there is any one man or department invented yet that can manage all these great concerns, and I hope the shipping trade will do all they can to help to get the ports and harbours taken out of the Bill. We have already organised a good opposition, but we want the help of everybody.

SHIPOWNERS' SERVICES TO THE GOVERNMENT.

I think our thanks are due in no small measure to the action of our friends who left their own businesses and went to the Ministry of Shipping and other Government Departments in order to help the country. (Applause.) It is a little invidious to mention names, but I do not think I can allow the opportunity to pass without referring in that connection to our friends Sir

Kenneth Anderson, Sir James Warrack, Sir Ernest Glover and Sir Frederick Lewis, and I daresay there are others. These occurred to my mind the more prominently, and I should like to convey to them our sincere thanks for the splendid work they have done. (Applause.) I would like also to say one word respecting Mr. J. H. Scrutton. We all had the idea that he would occupy the Presidential chair. That, I hope, is still reserved to him at some future date, but I can only say there has not been a more faithful servant of this Chamber than our friend who is absent—(applause)—which I regret most exceedingly, to-day. Our best wishes go to him, and those wishes I hope you will authorise me to convey to him. The only reward he wants, and he has it in full, is the regard and esteem of his fellow-shipowners. (Applause.) Then I would also thank our general manager. You have all heard what Lord Inchcape has said of him, and we all fully endorse that. (Applause.) Then we have Mr. Spratt, our excellent Secretary. In fact, all our staff are most satisfactory, and I can only assure our friend Mr. Noble, who is going to step into his duties very shortly, that he will find the Chamber not only a pleasant place to work in, but that he has got a well-organised staff. I think that he will find the work pleasant, and easier, perhaps, than he would imagine.

ELECTION OF VICE-PRESIDENT.

I thank you again, gentlemen, most sincerely for the patience with which you have heard me, for I have been longer than I had intended. I think there is nothing of a broad and prominent kind that I have not at least touched upon. I trust sincerely we are in for more peaceful and happier times, and that this great industry with which we are all connected will play a great part in the reconstruction of the country and of the affairs even of the world. We are all proud of British shipping, and I hope the younger generation who are growing up will have at least some memory of the strenuous times through which we have passed, and I trust will carry the flag along all the days of their lives. (Applause.) I have very great pleasure now in proposing a vote of thanks to Mr. J. Herbert Scrutton for his services as Vice-President, and in moving the election as Vice-President of Mr. W. J. Noble. I think we are fortunate in having secured the assistance of Mr. Noble to serve in that office. He has had a long and varied experience in shipping. He has got a great grasp of public affairs, and I know when his name was suggested to Lord Inchcape it was received with the highest approval. I am quite certain that your choice will be amply justified.

Sir WILLIAM SEAGER, M.P., in seconding, said : I have the greatest possible pleasure in seconding the vote of thanks to Mr. Scrutton for his services, and I am glad to know that his mantle has fallen upon Mr. Noble. He will serve us faithfully and will add lustre to the position he has to fill. (Applause.)

The resolution was carried unanimously.

Mr. W. J. NOBLE, in response, said : It is somewhat embarrassing to a humble member from the North Country to hear words such as you have given expression to, and also to hear what Lord Inchcape was good enough to say in his letter. I shall not endeavour to express in words my appreciation of the compliment you have paid me and the district from which I come. I am deeply sensible of the honour conferred upon me. I am equally sensible of my own limitations and the difficulty I shall have in maintaining the standard set by my predecessors. On your part it is a great venture of faith. On my part, I can only promise to do my best to justify your confidence. (Applause).

The CHAIRMAN remarked that he thought Mr. Noble ought now to take the Chair

Mr. NOBLE replied that he considered Sir William Raeburn ought to retain command of the meeting.

It was decided that Sir William Raeburn should remain in the Chair.

Discussion of the resolutions on the Agenda was then entered upon.

ROYAL AND ALLIED NAVIES.

Sir JOHN ELLERMAN moved :—

That this Chamber desires once more to place on record its admiration of the lofty courage and devotion the members of the Royal Navy have shown in the successful prosecution of their difficult task of keeping open the seas, containing the enemy, and thereby with the active co-operation of the Associated Navies rendering possible the complete victory achieved by the Military and Air Forces of the British Empire and of the Powers associated with it.

He said : I need say little in regard to this resolution, and more particularly as you have a long programme in front of you and time is already passing away. No man—no man that is associated with the Mercantile Marine—fails to

appreciate the services of the Navy in the four and a half years since August, 1914, onwards, and no one knows better than the Mercantile Marine the vastness of the task which the Navy has had to perform, not only at Home, but in all parts of the world. (Applause.) The King declared his belief that the sure shield of the Nation would be the Navy, and nobly has the Navy proved and justified that belief. (Applause.)

As we all know, there have been many and great vicissitudes in the land warfare, and more than once the fate of the Nation seemed to tremble on the edge of a precipice, but except for one short period, when the enemy submarine effort was at its height, never was there any uncertainty about the war at sea. (Applause.) And even during the course of the submarine effort, which was so gravely accentuated by the extreme shortage of destroyers, there was never any doubt in our minds that the Navy would find the solution, and find the solution the Navy did

But if at sea we held the command throughout the war, we must never forget the difficulties and vastness of the task which the Navy had to perform, and the constant watch which they maintained both night and day, and in all kinds of weather. Admiral Jellicoe in his recent book has given a glimpse into the conditions of the first year of the war which only enhances our admiration. The preparations of the higher command at the Admiralty were much less complete than the public had any knowledge of. There was a failure to provide the most elementary defences for the East Coast Naval Bases. There was a shortage of destroyers and submarines, and of several things which are not at all understandable, and which might have proved disastrous.

Fortunately, the resources and the gallantry of the personnel made up for these grave defects of the material. It might be said to be the triumph of mind over matter: and this increases our gratitude and admiration for what the Navy has done. I feel sure you will one and all unite with me in passing this resolution of our great thanks to the Navy and the navies of the Allies.

Lieutenant-Commander A. B. T. CAYZER, R.N., in seconding, said: I think the people of this Country now thoroughly understand what the Navy has done and what the Auxiliary Force has also done in keeping the Country with its supplies of food. I feel it a great honour to second the resolution.

The resolution was carried unanimously.

THE COUNTRY AND THE MERCANTILE MARINE.

Sir KENNETH ANDERSON, K.C.M.G., next proposed the following resolution :—

That this Chamber desires to take this opportunity of again expressing its deep sense of the country's obligation to the Masters, Officers and men of the Mercantile Marine, who, by their unflinching courage and devotion to duty, were largely instrumental in bringing the war to a successful conclusion.

He said : “ You have been kind enough, not only to ask me during a brief interlude from other duties to appear as shipowner among shipowners, but have placed in my hands a resolution which contains no single element of controversy, a resolution which I feel very sure everyone of you in this room would regard it as a pleasure and a high privilege to propose. There is only one feature in it which I regret. It is that the resolution being a formal one, the language in which it is couched is necessarily of a rather restrained and almost frigid character. What it says of the unflinching courage and devotion to duty of the masters, officers, and men of the Mercantile Marine falls very far short of the facts. Their achievements have been no less pre-eminent than the achievements of the men of the Royal Navy and of the Army. It is the very barest truth to say that they alone stood between this country and a crisis which spelt nothing short of starvation, paralysis and disaster.

That being the nature of our debt, a debt which involves no less a thing than our lives and our liberties, the lives and liberties, not only of the people of this country, but the whole of Europe, I do feel that any language, however elaborate, can be nothing except the feeblest expression of our acknowledgment. I feel also that, in fact, any such elaboration, besides being futile, is unnecessary, because all that these men have done, all the long tale of death and suffering lying behind the bald statement of our tremendous losses in the dark days of 1917 and 1918 is known, or should be known, to every man, woman or child in this country as, without doubt, it is only too well-known to every shipowner. There is no merit in remembering these things ; it would be to our everlasting shame and disgrace if we forgot them, and I feel sure that the country will not let their gratitude end in mere lip service. We, as shipowners, at any rate, have very special opportunities of repaying the debt, and although you cannot put a cash value upon courage, I hope and believe that, as far as the hard logic of balance sheets

and international competition will permit, we shall endeavour to the utmost to effect the financial betterment and generally to improve the conditions of sea life.

One opportunity, and not the least important, lies ready to our hand—and in this connection I should like to bear testimony to the extremely valuable work Mr. Laws has done in furthering the proposed scheme for National Sea Training under the new Education Act—I mean the opportunity to assist in enlarging the educational facilities which will not only entitle the men to better conditions, but improve the efficiency and prosperity of the Industry to which we are all proud to belong.

I have very great pleasure in proposing the resolution.

Mr. CUTHBERT LAWS: I second the resolution, and I am sure we shall all agree with the eloquent words of Sir Kenneth Anderson in describing the work of the Mercantile Marine. The British seaman has many faults, but cowardice is not one of them. (Hear, hear). He is not a plaster saint—(laughter)—neither is he a poltroon. If his conduct has been consistently trying to those set in authority over him—who, if he did but know it, are his best friends—we must not forget that with equal consistency he has been the despair of our enemies. (Hear, hear.) In short, he unites in his own person many of the weaknesses, and, in a pre-eminent degree, some of the outstanding virtues of our race. Among those virtues was one upon which we prided ourselves—though I sometimes think we are more prone to display it towards our enemies than our friends—that is a love of justice, generosity, and fairplay. I feel we should be less than just if on an occasion of this kind we failed to give a special word of recognition to those members of the Mercantile Marine who are not British subjects, and at the risk of achieving some unpopularity—which does not trouble me at all—(laughter)—I propose to do so. The men to whom I refer are some of them British subjects, others are men of various nationalities and—this is the delicate part—of various shades of colour, men who without the stimulus of patriotism, without the “call of the blood” as we heard it, have nevertheless stood fast shoulder to shoulder with our own brave fellows, and carried on in the face of the common danger. When I say that, compared with the number employed, the percentage of these men who lost their lives from enemy action was double the percentage of loss of life over the Mercantile Marine as a whole, I think perhaps you will consider I am justified. Only a short while ago I

received a letter from an unknown correspondent giving the names of a Lascar crew, and asking whether these were proper persons to be employed on British ships in these days. I remember, too, that before the war a favourite device at anti-Asiatic meetings was to read a Chinese crew list. The quaint Oriental names, if properly declaimed, were always received by the audience with laughter, mingled with cries of "Shame," which, of course, was the result it was intended to produce. Well, they are a patient and a pertinacious race, and they have now succeeded in getting their names inscribed upon another list, and one which will endure throughout the ages. If you take the Board of Trade Roll of Honour, which gives the names of the men who have lost their lives owing to hostile action, you will find them all there, those quaint, Oriental, laughter-provoking names. But, somehow, the humour seems to have gone out of the situation, and the smile of derision no longer comes so readily to the lips. I understand that as a reward for their steadfastness an attempt is to be made to hound these men out of the Mercantile Marine, not only those who have been brought in since the war began—it was entirely right and proper that they should be returned—but also those who have been with us since the commencement. If time permitted, there are several reflections which I would like to commend to your consideration. I must, however, content myself with this general statement. You cannot boast of the glory of your Empire upon which the sun never sets, and in the same breath seek to ostracise those citizens of the Empire whom the sun has scorched to a darker hue than your own (applause)—nor can you hope to carry on a great international trade like the shipping trade with the citizens of one nation alone. In conclusion, I can only express the hope that while doing full justice to our own heroes who have acted so nobly during the war, this country will be big enough, and British enough, to refrain from doing an injustice to those others who stood by us in our hour of need, and without whose help we should have been sorely put to it to bring our own efforts to a victorious conclusion. (Cheers.)

The resolution was carried unanimously.

ADMIRALTY AND BOARD OF TRADE.

Mr. ARTHUR RITSON proposed :—

That this Chamber desires to express its appreciation of the work of the great departments of State—the Admiralty and the Board of Trade—during the war, which has thrown such a heavy burden upon every member of these Departments, and to acknowledge the invariable courtesy and consideration received by this Chamber and its members at their hands.

He said : I think you will all agree with me that it is most fitting that this Chamber, at its first annual meeting after the war, should express appreciation of those two departments. The Admiralty's work for the protection of merchant shipping I can speak of with some inside knowledge, and I can assure you that nothing has been lacking on their part to do everything possible to protect merchant shipping. There has been no question of a six-hour or eight-hour day, for the average day has been 14 hours, and I have found them there longer than 14 hours. Very often they have not gone out to have a meal. During the two years I have been there I have threaded my way past bedsteads in the corridors where these gentlemen slept in order to be ready for an urgent call.

APPRECIATION OF PUBLIC DEPARTMENTS.

The best brains of the Navy were brought in after having had war experience, and they were applied to the solution of these problems, and I think so far as, humanly speaking, anything could be done, it has been done. The Board of Trade, the department which shipowners have, as a rule, not spoken kindly of, deserve now to have their character changed. They have done everything possible to support the Admiralty, and there has been no jealousy of any kind, and the support of the Board of Trade of the seaman and his pension scheme has been admirable in every respect. I wish for some reasons this had been a toast—(laughter)—instead of a resolution, not with a desire to drink but with a desire to couple names. But though it is not a toast, I should like to couple two names, one from the Admiralty especially connected with merchant shipping protection, Admiral Sir Alexander Duff. He was at the head of the division which dealt exclusively with the protection of merchant shipping and the destruction of submarines, and I think every gentleman present who knows this officer will agree with me that a more capable, courteous and gallant gentleman you cannot meet. He was always accessible, and would listen to every suggestion from every person who could bring any suggestion or knowledge to bear. He welcomed the visit of the War Committee, over which Mr. Scrutton—I am sorry he is not here to-day—presided. He welcomed everybody from the sea, shipmasters who could give assistance in any way to help to contend against the fierce enemy with his unrestricted submarine warfare, and in every respect he is deserving of our appreciation. And for the Board of Trade you will all know immediately whom I shall mention, and that is Mr. C. Hipwood. A more

estimable, sympathetic and courteous officer you cannot meet throughout this country. He has worked with shipowners in the question of war risk insurance, and shown most sympathetic interest in all matters connected with pensions and grants to the seamen and their dependents who have suffered by enemy action.

Mr. J. HOWARD GLOVER said : I have great pleasure in seconding the resolution. I have no doubt whatever that before very long the Ministry of Shipping will cease to exist, but something else will rise up—I was going to say on its ashes. I do not think we can hope that the fortunes of shipping could be left in any better hands than those of Sir Graeme Thomson, Mr. Kemball Cooke, and Mr. Hipwood at the Board of Trade. The permanent officials have impressed everybody with their great ability, great courtesy and great kindness.

The CHAIRMAN : I want in a word to associate myself with all that Mr. Ritson has said. I am sorry that in my remarks I forgot the War Committee over which Mr. Scrutton presided, and I also omitted to mention my friend Mr. Ritson. I hope he will pardon me if I repair that omission at once.

The resolution was carried unanimously.

THE MINISTRY OF SHIPPING.

Mr. JOHN DENHOLM proposed :—

That this Chamber desires to place on record its appreciation of the unflinching courtesy extended by Sir Joseph Maclay to shipowners throughout the whole term of his office as Controller, and its recognition of the fact that he, his Council, and all others who have been associated with him have carried out the policy of the Cabinet in regard to the control of shipping in such a way as to command the regard and admiration of all sections of the public.

He said : It is fortunate for the meeting that you, Mr. Chairman, did not follow the course of the last meeting in having a written and prepared speech for this meeting. If you will take a hint from an old friend without offence, you will discard written speeches altogether, and when you go to the Commons to advocate the claims of the shipowner you will stick to your written notes and not speeches. (Laughter.) You are a much more effective speaker when you have only notes, and I should like to compliment you on your excellent address. At the same time you have placed me in a very awkward position, for while you were delivering this excellent address you singled

out the individuals we had to thank, and if it is intended that I should only elaborate what you have said, or use words differently from those employed by you, then I do not know where to begin. When this unfortunate war broke out, those who were requisitioned in the early stages and were victims right on to the present moment, had occasion to visit the Admiralty Transport Department. I do not know that we had any great satisfaction in getting there. There were many great men and important men in that Department, and we had the greatest difficulty in getting access to any of them. It was exceedingly fortunate for us that in shaping the Ministry of Shipping the Government did not commit the blunder they did in other departments. They went to the root of matters to get an expert in shipping to place at the head of the Shipping Control. You have all had the opportunities that I have had. On occasion I have had to interview Sir Joseph Maclay himself, as well as different heads of departments established there. One cannot help feeling, and one cannot help admiring, the enormous organising ability that has been displayed in that great Institution. The magnetism of the man drew to him the assistance of the right men to put in as heads in the different departments.

After the establishment of the Ministry of Shipping one felt not only a pleasure but a good deal of comfort in visiting departments there, because, while you might not be able to get all you wanted—and I might say here I was frequently disappointed myself—yet, at the same time, you had the satisfaction of meeting men who knew what you were talking about, and could appreciate the point you were putting before them. Sir Joseph has earned the gratitude not only of the shipowners but of the whole country for the way in which he has carried out the duties of the Ministry of Shipping. I do not know what reward will be given him, but if ever a man earned a crown from a grateful country he has earned it.

Having fulfilled that part of my duty, I would like to refer to our domestic arrangements. Whether I am out of order or not, I am going to say it. (Laughter.) We have a great book here, giving a record of the year's work. I never saw it until I came into the room. I got a list of the resolutions to be submitted here, and now we are trying to compress a year's work of this important body into two hours of discussion. Is it reasonable or sensible, or at all in keeping with the times in which we live? We live now in the limelight. It is the man in the street who wants education on shipping matters. Can we possibly in two hours, at a meeting of this kind, convey to the general public

what they want to know ? You have the Associated Chambers of Commerce ; they take two or three days, and other bodies six or seven, for their business congresses go on for several days. Press reports go on day after day, and the man in the street looks for the succeeding days, and gets to know something that he cannot possibly get if it is compressed into two hours. In arranging for your meetings next year, I hope you will get the use of this nice hall for three days. (Laughter.) We can spend the evenings quietly together, and follow the proposal of my friend on the left and have toasts instead of resolutions. (Laughter.) I should have felt more comfortable in submitting this resolution as a toast, particularly after a good lunch. (Laughter.) Then one is better fortified for saying what one wants to say. (Laughter.)

Mr. LEWIS LOUGHER, seconding the resolution, said :—Our congratulations and those of the general public are certainly due to Sir Joseph Maclay. The task he voluntarily undertook at the request of the Government was a most arduous and difficult one. It required not only experienced judgment in shipping matters, but a statesmanlike conception of the critical position with which the nation was confronted. The exigencies of the war, which we fortunately passed through with honour and success, necessitated a jettisoning of our trade from its normal channel, and diverting it, with the primary object of winning the war. The problems were great and intricate, and new and bewildering rules and regulations had to be faced in order to secure the full driving force of one of the greatest assets in the prosecution of the war. These problems fell upon Sir Joseph Maclay and his able lieutenants, by whose experienced judgment private interests were interfered with as little as possible, while the maximum of benefit was given to the country. Throughout this trying time Sir Joseph Maclay showed unfailing courtesy, and I feel that had anyone been elected to his onerous office without a ripe experience of the shipping trade, the results might have been disastrous not only to the shipowners, but to the country. In his letter of November, 1918, to shipowners, Sir Joseph Maclay stated, " You have continued to run your ships not on your own account and for your own profit, but for the State." We shipowners were proud to have done so, and no assurance is needed that we shall continue to place patriotism before individual profit during the reconstruction period. We are faced with most difficult times, and the near future is fraught with possibilities that cannot be foretold. Still, I believe we shall meet and surmount those difficulties and regain the prestige

which we have hitherto enjoyed. I heartily second the resolution, and desire to express my full appreciation of the great public spirit Sir Joseph Maclay has displayed in the conduct of his onerous office.

The CHAIRMAN: I have felt a great deal as my friend Mr. Denholm feels. I think there are such tremendous questions before the shipping community that it does not look very adequate to have only one short forenoon sitting. But even a short two hours seems to be too long for some of the Members.

The resolution was carried.

GOVERNMENT CONTROL.

Sir THOMAS L. DEVITT moved :—

That this Chamber is confident that the release of shipping from direct Government control and the promise of early freedom will prove to be of immediate and permanent national value, and urges that the freedom of commerce as a whole be carried out with all possible speed.

He said: It needs no argument to put this case before you, and to induce you all to support this resolution, or even a much stronger one. I am sure you all believe that the restrictions and control by the Government will ultimately crush and destroy that initiative and individual enterprise which has, I believe, so largely contributed to the strength of this Empire. Every business man should have the right to carry on his trade and profession with as little interference as possible. During war time exceptional conditions made it necessary to control some industries, but these should, as soon as possible, be freed from official interference. All traders would, I am sure, be ready to place their knowledge and experience at the disposal of the Government. It seems to be the desire of those who want to nationalise everything, to do away with all those who know anything about their business. There are men in every trade who are really essential to the community in ordinary times. They should be consulted on public questions instead of those who are only theoretically interested. I need not remind you, gentlemen, of the dangers to the trade of the Country if it were in the hands of the Government. I do not say this of all Government officials, because I have a great regard for some of those named this morning, but I cannot avoid referring to the present controversy in the papers, with reference to Chepstow and Slough.

Chepstow is an outstanding instance of Government mismanagement, and I do not hesitate to say that in my opinion it is a public scandal. Those who know the history of it from the beginning to end will condemn it from its inception, for the way in which it has been carried out. I cannot think it possible that an inquiry of a most searching kind can be avoided. I do not see how it can. Four millions of money have been wasted down at Chepstow, for what purpose? If you want to refresh your memories about it, read the last two or three days' *Times*, and especially to-day's. It is quite the strongest proof of the inability of the Government to control the business of this country. Mr. Laws, if I may say it in his presence, is one of the men who could put forward advice as to the shipping trade better than any man in this country. It has been my regret that he did not go into Parliament. We want men in Parliament who can put things clearly before the House of Commons, and contradict statements which are not true. If we could have Mr. Laws in Parliament, he would put our case fairly and squarely before the Country, and we should not have so much misrepresentation as we have at present.

Mr. J. EMERY TULLY, in seconding, said: We are all anxious as far as we can to have freedom, but it is necessary we should have direction at the present time. There are controls that cannot be done away with at present, but trades, industries and departments where we have control should be liberated with all possible speed, and strenuous efforts should be made to prevent further control. We have now as has been mentioned by the Chairman, the Government seeking further controls over all our ports, and if that is carried out we are going to be in a very serious position. We shall have the Tyne, for instance, which in the hands of the Commissioners has been made a grand river, placed in the hands of a Minister who perhaps knows nothing about it, and perhaps it will be allowed to silt up so that we cannot sail another *Mauretania* from there.

The resolution was agreed to.

EXCESS PROFITS DUTY.

Mr. F. SHADFORTH WATTS moved:—

That the maintenance of the Excess Profits tax constitutes a grave menace to the restoration and development of the shipping and commerce of the Empire.

He said : I can add very little to what Sir William Raeburn has already said against this iniquitous tax. I will just ask you unanimously to pass the resolution, as the considered opinion of this Chamber.

Mr. R. M. SUTTON, who seconded, said : I have much pleasure in seconding this motion. The Government has just recently made a declaration in relation to its overseas policy, but I venture to say this does not go far enough. It does not touch the root of the matter at all, and this Excess Profits Duty is to a large extent the cause of the industrial unrest at the present time. If the Government do not wish to create further unemployment, they must take off the tax at once, and make some early declaration of their policy so that the people who are anxious to reconstruct and develop will know where they are.

The resolution was carried.

RAILWAY RATES AND COASTWISE SHIPPING.

Mr. GEORGE RENWICK, M.P., moved :—

That the attention of the Government and public should be drawn to the abuse in the present system of railway rates, whereby the railways have made use of the monopolistic position enjoyed under Act of Parliament to levy higher rates on inland traffic than on port to port traffic, to the detriment of the inland manufacturer, trader and consumer, in an attempt to divert traffic which would naturally be water-borne; and, furthermore, to the fact that, under present conditions of Government guarantee of railway profits, this system is being maintained at the cost of the taxpayers, whose money is being used to subsidise the railways to the detriment of the trades of the ports both great and small, and to coastwise shipping.

He said : Before I say a few words with regard to the resolution, I should just like to refer for a moment to the rather apologetic way in which the Chairman has mentioned that he has become a Member of Parliament. (Laughter.) I advise him not to apologise, but to glory in it, for this is a time when we need men of business and experience like him in Parliament. The present is the third time that I have been in Parliament, and I am not going to apologise for it. I trust Sir William Raeburn will be able to do some service there. (Applause.)

Dealing with the resolution, I rise to call attention to the condition of the coasting trade. When I say that I do not mean to speak only of the ships carrying coal and coke, but of those vessels engaged in carrying general cargo coastwise to the different ports of the United Kingdom. It is an old and important trade.

Before the war there were nine steamers sailing regularly every week between the Humber and the Thames, and now there are only two. What applies to the Humber and the Thames applies also to other ports in the United Kingdom.

I have been associated for over 20 years with the coasting trade between Manchester and London. It was formerly carried on with the precision of a railway service between the two places. We carried about 1,000 tons a week on the average, which was dealt with over the wharf exclusive of overside lighter traffic, some being expensive goods, and last week it was only 17 tons. There is over the wharf about an equal falling off in respect of other ports. This is unfortunate for trade, and bad for the shipowners. It is a serious matter for the trade because it removes competition between the railway companies and the steamers, which competition formerly enabled the trader to get his goods carried much more cheaply. If the railway companies did not treat him fairly he would go to the coasting shippers, and if he did not get fair treatment from them he would go to the railways.

Now, that healthy competition has been knocked on the head. The shippers engaged in this trade have been put to enormous extra expense in the higher cost of labour and everything else, and now there are 24 Bills before Parliament in which harbour and dock authorities are asking for power to increase the dues. Cartage has gone up to 6s. in Manchester and 9s. in London. For labour in London, what was formerly 1s. to 1s. 3d. has now gone up to 3s. to 3s. 6d. Pilotage, towage, insurance, have all increased, and all these things have gone to make our rates even higher in some instances than railway rates.

At the same time, the railway companies are favoured in a way that is manifestly unfair. We do not ask that the railway companies should raise their rates, but we do say that it is improper that they should be subsidised by the Country, as they are now, to the amount of 90 to 100 millions a year. The railway companies do not care; but we want that subsidy withdrawn, and we want the help of the Chamber of Shipping to get it withdrawn.

The CHAIRMAN: The railways get £100,000,000 a year.

Mr. RENWICK: Yes, that is what the railways cost the taxpayers every year, and in addition to that passengers have to pay an extra 50 per cent. Yet there has been no increase in the cost of goods. I do not think anyone can justify that.

One of the best meetings I have ever attended was a meeting called by the Chamber of Shipping where this question was considered. There were representatives at that meeting of Harbour and Port Authorities. They are beginning to cry out because their cranes and warehouses are no longer being used. It is a happy thing that we have the assistance of Port and Harbour Authorities.

Small shipowners are carrying on an important trade. They are sometimes looked down upon perhaps by some of the lordly liners, but we fulfil a very useful purpose nevertheless. If the Government will withdraw that 90 or 100 millions then we shall be able to take care of ourselves. If we cannot compete, then let us go to the wall ; but do not let us go to the wall with that great sense of injustice. Let something be done to help to restore what in the past, and I hope in the future, will be one of the greatest assets to the shipping trade of our country. (Cheers.)

Captain H. B. HOOPER, in seconding the resolution, said : [I think Mr. Renwick has put the case fairly ; but I do not think that we shipowners should have to give up our business because the railway companies carry on an uneconomic principle. We have been in the trade for a good many years, and we intend to stick to it. We ask that the railway companies should not carry cargo between ports at rates that do not pay. We have had instances where they carry for less than would pay for the cartage at each end. We say that railways should not charge uneconomic rates in competition with the coastal shipping trade. (Applause.)

The CHAIRMAN : This is a very important subject, and members would perhaps like to make some comments on it.

Mr. DOUGLAS STOBART remarked that the rates for partly seaborne goods and rates from the coast to inland towns had doubled, and the trade was not in a position to bear that.

The resolution was carried.

PENALISATION OF SHIPPING.

Mr. W. J. NOBLE moved :—

That this Chamber desires at the general meeting of its members to emphasise the importance of the recommendations of the Reports on Trade after the War of the Joint Committee of

this Chamber and the Liverpool Steamship Owners' Association and of the Booth Committee; that steps should be taken by His Majesty's Government to secure for British steamers in foreign ports as favourable treatment as is accorded to foreign ships in United Kingdom ports, drawing special attention to the fact that the policy of this country represents true freedom of shipping in peace, and that its general adoption would constitute a valuable factor in maintaining the peace of the world, for which reason alone it would be deplorable if this country were compelled to reverse its present policy and meet flag discrimination by flag discrimination.

He said: The resolution first calls upon the Chamber to emphasise the importance of the recommendations of the Reports on Trade after the War. I shall assume that you are all familiar with those illuminative and informative reports. Second, it urges His Majesty's Government to take steps to bring all the maritime nations into line with the policy and practice of the British Empire, because such a general agreement would constitute a potent factor in maintaining the peace of the world, and discourage a return to the policy we abandoned 70 years ago.

Whatever differences of opinion there may be on the attitude of this country in regard to the freedom of shipping in times of war, there can be none as to its policy in times of peace. I think it can be clearly demonstrated that in times of peace there has been, at any rate since 1849, no legitimate grievance against this country. Any grievance there is must be against those countries which have not followed her in the policy of liberty, freedom and equality—a policy which she has deliberately adopted, notwithstanding the fact that she has for so long occupied the proud position of mistress of the seas. In times of peace there has been no cause of complaint that Britain has ever abused the power she possesses as the greatest Naval and Maritime Power in the world. Wherever the British Navy has been in a position to exercise influence and power it has exercised them impartially for all nations. (Applause.) No other country has such a record as ours in gaining and maintaining the freedom of the seas. All her ports at home and in all parts of the Empire are open to all comers on equal terms to her own ships. In other words, Britain's policy of the open door means free commerce and free navigation throughout her Empire for all the world which is at peace with her. (Applause.) It is not so with other countries. It is well to be quite frank with our Allies. Even in the United States rules exist which preclude foreign ships from carrying goods between American ports and certain others

which are under United States administration. She quite recently attempted to give her own ships preferential treatment in the Panama Canal, and it was only after great pressure she abandoned the idea. France and Russia have always reserved their coasting and inter-Empire trades for their own Mercantile Marine. Portugal has given preferential treatment to her own ships in the matter of dues.

The interim report of the Departmental Committee on Shipping calls attention to "the tendency manifest throughout Continental Europe to reserve the carriage of passengers more and more to national lines with a view to fostering national merchant fleets." The report also calls attention to "the growing tendency of Central and South American States to grant specially favourable treatment to other American States—treatment which is not extended to European countries." Germany has insisted upon her land communications with the ports and the territorial waters being used exclusively as feeders for her own ships. It is common knowledge that the prosperity of the German Mercantile Marine was in great measure founded on the abuse by the Central Empires of their favourable geographical position which enabled them to impose through the control stations restrictions on the Eastern emigration traffic passing across their territories. Contrast that purely national policy with the freedom extended to all ships to call at British ports on equal terms with British ships. Speaking generally, the freedom of the seas which we ask the Government to aim at for times of peace is freedom for the sea-going ships of all nations to pass along the seas and the navigable approaches to the seas, and to enter and use all ports and harbours, together with equal treatment of the ships of all nations; and any discussion on "the freedom of the seas" at the Peace Conference must include all the varying policies and practices to which I have referred if any permanent international understanding is to be reached.

So far as the British Empire is concerned, we want to be neither hampered nor pampered. (Applause.) So far as the British shipowner is concerned, all he asks for is a fair field and freedom to control his own destiny. (Applause.) We believe that our policy, if universally adopted, would promote the solidarity of the nations, and contribute in no small measure in making the League of Nations the instrument we all hope it may become. (Applause.)

Sir WILLIAM SEAGER, M.P., in seconding the resolution, said : Shipping is the basic industry on which all other industries have been built, and we must see that Government control and many other things that have penalised us in the past are swept away. A fair field and no favour, and we shall win in the end. The Prime Minister himself has said that the shipping industry is the jugular vein of this great Empire, and we must see that the Empire supplies to that vein the necessary blood and necessary attributes to make it possible to perform the functions of the jugular vein.

I am sure if shipping is left in the hands of those who control it to carry out the work which it has done so well in the past, we need have no fear. Too often people lose sight of the fact that the enormous wealth of the country has been built up by the shipping industry, and that it has enabled us to carry the war to victory. But we have a greater responsibility thrust upon us by victory, and we must see that the shipping industry is not penalised, but is able to spread its beneficent force throughout the world.

Captain H. B. HOOPER : The great difficulty we are in, I believe, is due to the action of the Foreign Office. We have not denounced any of our treaties, while other countries have.

The resolution was carried unanimously.

INDUSTRIAL UNREST.

Mr HOWARD HOULDER moved the following resolution :—

That this Chamber desires to put on record its sense of the seriousness of the proposals largely to increase the expenses of the mining, transporting and handling of coal, and to express its conviction that these proposals, if carried to an extreme which will render export in competition with foreign countries impossible, must react on the community and result in the practical extinction of those many industries for whose continued existence the export of coal is a necessity.

He said : This general industrial unrest is the outcome of the war, which is now happily at an end. The one thing which it is essential for all to grasp and realise is that in the period of reconstruction ahead of us we can only successfully carry out our duty in that respect if the maximum

of output is obtained in this Country. There is undoubtedly a great responsibility resting upon the workers of this Country, not only the manual workers, but upon men like ourselves, who are just as much workers in the National interest as anybody else. We have a responsibility not only for our own country, but for the world at large. It is not too much to say, in view of what has happened, that there rests upon this Country primarily, and also upon the United States, an enormous duty and responsibility in the reconstruction of the world.

Now our whole National existence—the fabric of our National existence—rests upon the foundation of our exports, and our exports in turn are dependent almost entirely upon our coal. In this Report which we have before us the startling figure is given that no less than 77 million tons of coal per annum were exported from this country prior to the war, as against 20 million tons dead weight of all other exports put together. If our export trade were lost it would be impossible for these Islands to maintain 46 millions of inhabitants as at the present time. That is a fact that should be driven home into the minds of every man, woman and child of this Country, and incidentally—if not a digression—it does seem to me that in our educational system some more definite steps should be taken to instruct the children of our Country with regard to these fundamental facts. (Applause.)

The terms of the resolution tell us that if these tendencies of the present time are carried to an extreme, it will render export in competition with foreign countries practically impossible. But the resolution seems vague and ambiguous. Presumably the intention is to say that inasmuch as our imports of raw material and food are dependent upon our exports, if our exports of coal are diminished or destroyed by reason of foolish action, many of the important industries in this Country which are dependent upon our food and upon our imports would thereby be destroyed. But I should like to go even one step further, and say this, that the continued existence of many of our industries at home, quite apart from the importation of raw material, is dependent upon the plentiful supply of coal at an economic price, and I should like, therefore, to supplement the terms of the resolution by impressing that point upon the meeting here to-day.

It is a somewhat delicate matter to speak upon the question of coal, in view of the inquiry proceeding at the moment. It

would not do to criticise or express an opinion one way or the other, but unquestionably I would insist, in general terms, on the great danger which threatens us if, as an outcome of that inquiry, something is instituted which is going to put up the price of coal above the economic basis in competition with foreign countries. None of us desire anything else than that the workers, those who go down the mines, should have an adequate reward for their labour and live under good conditions with their families—(applause)—but let us hope that something will be arrived at by that Commission, and that it will be a reasonable understanding.

One thing more. Very frequently one sees that any opinion expressed by a body of men of a particular trade is criticised because people say they are interested in it, and therefore look after themselves and not after the Country. On behalf of shipowners generally, I repudiate that suggestion. (Applause.) Shipowners are as patriotic as anybody else, and I submit to this meeting, and to the country at large, that this is a matter upon which not only shipowners generally, but particularly a body such as this, representative of all the great public interests of shipping, is in the best possible position to give opinion and advice which is valuable to the country. We are far more competent to give an opinion than those *doctrinaires* who put forward their views with such readiness, and whose sole object seems to be to upset the existing order of things without considering what the ultimate result of their action will be. It will be a sad and serious thing if we, who occupy the position we do in the country, have not confidence in the future. I believe that there will be an adjustment of this difficult question, and that the underlying commonsense of the inhabitants of these islands will prevail, and we shall get out of the difficulties that threaten us much better than we think.

Sir WILLIAM CORRY, in seconding the resolution, said: I think it is obvious to all of us that any such increase in the cost of mining and transporting of coal as would jeopardise our position as an exporting country, and prevent us from competing in the markets of the world on even terms, would be absolutely disastrous to us as a great commercial nation. We simply must have plentiful and moderate-priced coal if we are to carry on our own business as shipowners, and if the other great industries of the country are to be successfully carried on. I have much pleasure in seconding the resolution.

Mr. R. O. SANDERSON : I am very much in sympathy with the statesmanlike speech of Mr. Houlder, and I am glad it has been made. I do not think the general public at all appreciate the grave danger which is threatening our oversea and bulk carrying trade. America has built all this tonnage. It does not matter at what price she has built it : the fact remains that America possesses the tonnage, and must run it, and the first market in which they can compete, to my mind, is in the European coal trade, the coal trade with France and Italy.

Do we at all realise that if we lose a certain percentage of the bulk carrying trade in the form of coal, we jeopardise our imports of iron ore and pitwood, and are therefore increasing the cost of the materials we are receiving as well as having to face very severe competition in the materials we are exporting ? The country, I am certain, does not realise that, and by their actions, the general community really—because they are supporting all those movements which are being undertaken by different sections of labour—are destroying the whole trade of the country. I appreciate what Mr. Houlder has said, that we cannot do too much to enforce the opinion of the trading community, and shipowners in particular, with regard to what is happening, and the great danger that lies before us, if we get the question of transport out of economic balance.

The resolution was unanimously carried.

PERSONAL.

The CHAIRMAN : You were good enough to subscribe a very handsome sum of money with which to get my portrait painted. But out of the abundance there is still a goodly sum left, and it occurred to me that you would use that money well in presenting our esteemed Vice-President, Mr. Scrutton, with some tangible token of your regard. I mooted the question very delicately to Mr. Scrutton and he resisted the idea. But I persisted in the matter, telling him that he would be crossing us very much if he persisted in refusing. And I am glad to say that the consent of those who contributed to the fund has been obtained, and on a future occasion at the Executive meeting we hope to present Mr. Scrutton with some token of our regard. (Applause.) We had hoped this year to go back to our old peace time arrangements and have a banquet, but his Lordship, the President, thought we had better put that off for another year. I trust that we are going to resume our old happy meetings next year. (Applause.)

May I say this, that my reminiscences of my connection with this Chamber, which goes back longer than I care to say, remind me that at meetings in the old days you thought yourselves very lucky if you got away by five o'clock. I do not know whether we are doing more business at the Executive meetings, or whether things now are not so much before our minds, and we do not want to spend so much time on the business as we did then. I am very much obliged to you for your attendance, and I think I have managed to compress the proceedings within a reasonable time.

VOTE OF THANKS.

Sir JOHN ELLERMAN : I think we ought to express our thanks to the Chairman, especially as he came to preside at such short notice owing to Lord Inchcape's illness. I would like to endorse the hope expressed by a previous speaker that he will always, when he addresses us, leave his notes behind. (Laughter and applause.)

Mr. NOBLE : As one who has been relieved of many duties to-day owing to Sir William Raeburn's occupancy of the chair, I shall be pleased to second the resolution.

The resolution was carried unanimously, and the Chairman bowed his acknowledgments as the meeting dispersed.

1919.

SHIPOWNERS' PARLIAMENTARY COMMITTEE.

CHAIRMAN: SIR F. SHADFORTH WATTS, 7, Whittington Avenue, E.C.3

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WALTER PATERSON, Esq., 94, Hope Street, Glasgow.	..	Clyde Sailing Shipowners Association.
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SHIPOWNERS' PARLIAMENTARY COMMITTEE.

TWENTY-FOURTH ANNUAL REPORT

(1918-19.).

For various reasons no separate report for this Committee was issued for the years 1916 and 1917 respectively. References to the work of the Committee were however included in the report of the Chamber of Shipping for those years. For convenience they are reprinted with this report.

For the year 1918 it has not been necessary to call the full Committee together more than once, but the work of the Committee has, nevertheless, been onerous by reason especially of two measures—the Education Bill and the Emigration Bill.

The Committee met in the Council Room of the Chamber of Shipping on the 5th April, 1918, when Mr. F. Shadforth Watts was formally elected Chairman of the Committee for the ensuing year and Mr. R. D. Holt, M.P., Vice-Chairman. As usual, the election followed an exchange of views between the Chamber of Shipping and the Liverpool Steam Ship Owners' Association, when the former put forward the name of the Chairman and the latter that of the Vice-Chairman, in pursuance of the understanding that the Officers for the year should be so nominated; Mr. Holt holding a seat in the House of Commons, the practice of the Committee of having one of its chairmen in the House of Commons was therefore adhered to.

ATTENDANCE BY REPRESENTATIVES.

Correspondence with the Clyde Steam Ship Owners' Association was read at this Meeting in which they asked permission for a substitute to attend meetings in place of the late Lt.-Col. T. Paterson Purdie during that gentleman's absence abroad on Government business. The question of the power of a member to appoint a substitute at meetings of the Committee had been raised some years previously when a resolution was passed on the 16th June, 1911, deciding not to allow members to appoint

substitutes. After considerable discussion this resolution was confirmed. The Committee felt that in cases such as this the Association concerned should appoint another representative in the room of the one already appointed, on the understanding that when their proper representative was again able to attend Meetings he should be reappointed.

EDUCATION ACTS, 1918.

On the motion of Mr. Cuthbert Laws, the General Manager of the Shipping Federation, consideration was given to two Bills then before the House of Commons, viz.: the Education Bill, 1918, making provision for a national system of public education for England, and the Education (Scotland) Bill, 1918, making similar provision for Scotland.

Attention was drawn to the fact that the English Bill proposed to make compulsory attendance at continuation schools of boys for four years from fourteen to eighteen years of age, subject to certain specified and very limited exceptions; and that the Scottish Bill made somewhat similar provision in regard to Scotland. It was pointed out that if boys were compelled to attend continuation classes during these years it would make it impossible to man the mercantile marine of the future. The Bills were referred to a Special Committee consisting of the Chairman, Mr. F. Shadforth Watts, with Sir Norman Hill, Mr. Howard Houlder, Mr. Cuthbert Laws and Mr. Cleminson. Representations were at once made to the Minister of Education, the Right Hon. H. A. L. Fisher, and a Memorandum setting forth the views of the Special Committee was issued on the 31st May and forwarded to the Ministry of Education and Scottish Office and circulated among the Members of the House of Commons. Concurrently with representations to the Ministry of Education, an active campaign in the House of Commons was conducted in which the strong support of many Members of the House was secured, in addition to that of the Vice-Chairman, Mr. R. D. Holt, M.P., and of Sir Owen Philipps, G.C.M.G., M.P., and Sir Walter Runciman, Bt., both of whom are members of the Shipowners' Parliamentary Committee.

Among those who took a special interest in the matter are the Right Hon. Leif Jones, Mr. Leslie Scott, K.C., and Mr. Basil Peto.

While the sympathy of the Minister of Education had been secured, it was not until it became apparent that the House of Commons would not be satisfied unless immediate provision was made in the Bill, that any real progress was made.

The Committee, after reference to the Manning Committee of the Shipping Federation and to the Liverpool Steam Ship Owners' Association, having expressed the view that shipowners would be prepared to contribute reasonably towards the cost of a scheme of national sea training for the mercantile marine, the Minister of Education undertook to accept the following amendment, subsequently inserted in the English Bill, and to take immediate steps to set up a system of national sea training for the mercantile marine.

The amendment is by way of exception to the provisions contained in Clause 10 of the Bill, which provide that "all young persons," who, shortly stated, are young people between fourteen and eighteen, should attend continuation schools . . . for 320 hours each year. . . .

By Section 10, Sub-section 2, in Paragraph 2 any young person—

"Who has satisfactorily completed a course of training for and is engaged in the sea service in accordance with the provisions of any national scheme which may hereafter be established by Order in Council or otherwise with the object of maintaining an adequate supply of well-trained British seamen, or pending the establishment of such scheme in accordance with the provisions of any interim scheme approved by the Board of Education" is to be excepted from the obligations to attend a continuation school.

It should be observed that a general amendment, postponing for a period of at least seven years the full operation of the Continuation Act Provisions, affecting all classes, was subsequently introduced and incorporated in the Act, the effect of that amendment being that for seven years after the Act is brought into operation young persons can only be compelled to attend continuation classes from fourteen to sixteen (instead of eighteen years of age). At the end of this time however the Bill will be in full operation, making compulsory the attendance of all young persons from fourteen to eighteen, subject to exceptions. Of these exceptions, that secured by the action of this Committee is the most important one from the point of view of the manning of the mercantile marine.

A special Committee appointed by the Ministry of Education under the Chairmanship of Sir Norman Hill, upon which Mr. Laws and Mr. Cleminson are also members, is sitting in order to consider and make recommendations in regard to a scheme of National Sea Training under the Act. The Committee is proceeding upon the lines of providing full time education, including a quota of technical education for all boys as a general rule from the ages of fourteen to sixteen, either at hostels or training ships, or schools, residential and non-residential, or, where possible, from their own homes : in the latter case with the assistance of maintenance grants. The scheme will necessarily involve making provision for the cost of maintenance as well as the education of these boys. Stress has been laid by the shipowners' representatives upon the fact that the object of the scheme is not to provide officers, who will as a general rule remain at school under full time instruction until the age of sixteen and so be exempt from the continuation class provisions of the Act, but to provide education for the average boy whose highest ambitions would be satisfied if he in due course became a boatswain. At the same time the Committee would probably not shut its eyes to the fact that opportunity should not be denied to the specially bright boys to reach a higher standard of education with a view to their becoming officers.

The Scottish Education Bill was passed in November, 1918, and on the motion of Lord Inchcape an exactly similar amendment to that included in the English Act was secured in Section 15, Sub-section (6), paragraph (c). The Scottish Act as passed also contains a clause postponing the full operation of the Act in regard to education continuation for at least three years. It should be stated that the Scotch Office is represented on the Committee of the Board of Education which is considering the scheme of National Sea Training, so that approximate uniformity should be secured.

EMIGRATION BILL.

On the 13th May, 1918, the Rt. Hon. Walter H. Long, Secretary of State for the Colonies, supported by Mr. W. A. S. Hewins, Under Secretary to the Colonial Office, introduced, for the first time in the House of Commons, a Bill making certain provisions in regard to emigration from the United Kingdom. The Bill was one which did not affect the general body of shipowners of the country, but did promise seriously to affect the owners of passenger liners. A special Liner Committee consisting of representatives nominated by the Chamber of Shipping and the Liverpool Steamship Owners' Association was formed.

The Committee consists of—

Mr. J. C. Geddes (Orient Line), Mr. Wm. Walker (Union Castle Mail S.S. Co. Ltd.), Mr. F. White (P. & O. Branch Service.), Mr. J. Macmillan (Shaw Savill & Albion Co.), Mr. S. Thompson (George Thompson & Co., Ltd.), Mr. R. L. Forbes, succeeded by Mr. H. Cotton (Royal Mail Steam Packet Co.), Mr. J. Ambrose (Cunard Line), Mr. T. C. Swain (White Star Line), and Mr. H. S. Carmichael (Canadian Pacific Line), and, in addition to this, Lord Inchcape has been good enough to act as Chairman of the Committee, and Sir Alfred Booth, Bt., and Major Maitland Kersey have taken a prominent part. This Special Committee has throughout dealt with the Bill on behalf of the Shipowners' Parliamentary Committee.

An initial memorandum setting out owners' objections to the Bill, with suggested amendments, was printed and circulated among Members of the House of Commons and others in May last. A very full Conference of Members of Parliament was held on the 13th June, and was addressed by Lord Inchcape and Sir Alfred Booth. Their speeches together with a summary of points of objection were printed and circulated among Members of the House of Commons at the request of the Conference.

Concurrently with these steps, the Special Liner Committee made its representations to Mr. Hewins who, as Under Secretary of State for the Colonies, was in charge of the Bill. While Mr. Hewins met the Committee in a conciliatory spirit he expressed his inability to meet them in regard to the questions of principle although he made certain concessions on minor matters. The Committee was therefore compelled to watch closely the progress of the Bill in the House of Commons, taking steps to make known its objections to the Bill. The Bill having passed the second reading was referred to a Grand, *i.e.*, Standing, Committee of the House, and here the Bill met with a very lukewarm reception at the hands of supporters of the Government, and encountered severe hostility on the part of many members, among whom were principally the Rt. Hon. Leif Jones and Mr. R. D. Holt. After considerable amendment to the first clause, in which the Government was twice defeated, the measure failed to attract a quorum on two successive occasions. Thereupon Mr. Hewins withdrew the Bill for further consideration with a view to introducing a new Bill in the Autumn Session of the House.

At this juncture a full report of the work of the Committee was prepared, printed and circulated, copies being sent to each Member of the Government.

The Bill was not introduced during the Autumn Session. Owing to the poor support it had secured in the House of Commons and the pressure of other demands upon the time of Parliament it had to give way to more popular measures, but the Special Liner Committee felt that the same or a similar Bill would certainly be introduced into the House at a later stage, and, therefore, they pursued their aim of endeavouring to satisfy Mr. Hewins of the reasonableness of their objections with a view to their being met either by withdrawal or amendment of the provisions of the Bill, or, to the extent to which this was impossible, then to see that shipping interests were safeguarded by an effective representation of shipping on whatever body was set up.

The Committee was able to give convincing evidence of its desire not to be merely obstructive, by arranging a conference between Mr. Hewins and the leader of the opposition to the Bill in the House of Commons, viz.: the Right Honourable Leif Jones and representatives of the Committee.

As the result of these steps the Government has (1) materially modified its proposals and (2) in setting up a provisional Emigration Committee consisting of upwards of nine members (of whom four are representatives of Government Departments) it has included two representatives of shipping, viz.: Sir Alan Anderson, K.B.E., and Mr. J. Ambrose, who were nominated on behalf of the Shipowners' Parliamentary Committee at the instance of the Special Liner Committee.

The material part of the correspondence that has taken place with the Colonial Office since the date of the last report of the Special Liner Committee, has been printed, and this, with the report printed in August, contains a full and sufficient report of the result of the Committee's work.

Your Committee desire to record with satisfaction the unusually keen interest taken by every member of the Liner Committee in the opposition to the Bill, involving, as it has, innumerable meetings and, for the Liverpool Members, constant journeys to London.

FINANCE ACT, 1918.

The Finance Act, 1918 (30th July), contained no special provision affecting Shipowners, but a doubt having been expressed the clause imposing Excess Profits Duty on profits arising from the sale of trading stock was submitted to Counsel, who advised that the vessels of a Shipowner could not be "trading stock," so as to be liable on sale to excess profits duty.

NATIONAL HEALTH INSURANCE ACT, 1918.

By Section 27 of the National Health Insurance Act, 1918, it is provided that all contributions paid by employers in respect of masters, seamen, or apprentices who are neither domiciled nor have a place of residence in the United Kingdom and are consequently deemed not to be employed within the meaning of this part of this Act, shall be credited to a special fund, which shall be vested in trustees nominated under, and managed by a governing body constituted in accordance with, a scheme to be prepared by the National Health Insurance Joint Committee after consultation with the Board of Trade, and comprising three representatives of Shipowners and six representatives of insured persons. Communications were addressed to the Chamber of Shipping, Shipping Federation and Liverpool Steam Ship Owners' Association in regard to the representation of Shipowners on the Governing Body.

According to the original terms of the scheme complete freedom of choice was not left to Shipowners in the choice of their representatives. Representations were at once made by the Shipowners' Parliamentary Committee and the objectionable term of the scheme was withdrawn. Thereupon, on the nomination of the Shipping Federation and the Liverpool Steam Ship Owners' Association, Sir Norman Hill, Mr. J. D. Botterell, and Mr. Cuthbert Laws were nominated as the representatives of Shipowners to serve on the Governing Body for this special fund.

OTHER MEASURES.

DECIMAL COINAGE BILL. During the session under review your Committee kept watch on the Decimal Coinage Bill but no action was taken in regard to it.

TERMINATION OF THE PRESENT WAR DEFINITION ACT, 1918 (21st November). The date of the termination of the present War may be declared by Order in Council and such date is to apply to any Act of Parliament, Order in Council or Proclamation and generally speaking to any contract, deed or other instrument

referring expressly or impliedly to the present War or the present hostilities. After careful consideration of the Bill, and the Report of the Committee on the Interpretation of the Term "Period of the War," there appeared to be no occasion to take any action.

WAGES (TEMPORARY REGULATION) ACT, 1918 (21st November). For six months from the passing of this Act employers are bound to pay prescribed rates of wages to any person employed in any trade or industry for which a rate has been fixed subject to certain provisions for Arbitration.

GENERAL.

While the work of the Committee during the past year may be regarded as successful yet the experiences of the year, especially in connection with the Emigration Bill, have once more disclosed the difficulty under which a great interest like the shipping industry labours in the House of Commons when its interests are affected by public Bills. Special provision is made for private Bills by procedure corresponding to that of legal proceedings in the Law Courts calculated to divest the proceedings of any political bias, but in the case of public Bills in which alone this Committee concerns itself, the success or failure of representations depends very largely upon the political situation in the House of Commons. While it is possible and even probable that but for the opposition of shipowners the Government would have secured the passage of the Emigration Bill, yet it is perhaps due to the fact that the Bill attracted the attention of powerful party groups in the House of Commons, who objected strongly to the interference with the individual liberty of the subject, that the Bill was defeated, rather than to the dispassionate consideration by the whole House of the merits of the shipowners' case. Parliament having been dissolved a new House of Commons has been elected.

THE NEW HOUSE OF COMMONS.

It is satisfactory to know that the following shipowners have been elected as members of the House of Commons, most of whom have and, it is hoped, will retain an interest in shipping.

Mr. C. C. Barrie	representing	Banffshire
Mr. T. A. Blane	"	Leicester (South)
Major H. R. Cayzer	"	Portsmouth (South)
Mr. R. Burton Chadwick	"	Barrow-in-Furness

Mr. J. H. Cory	representing	Cardiff (South)
Mr. J. C. Gould	"	Cardiff (Central)
Mr. R. P. Houston	"	West Toxteth
Mr. R. M. Hudson	"	Sunderland
Mr. R. Mason	"	Wansbeck
Lt.-Col. Morden Grant	"	Brentford & Chiswick
Sir Edward Nicholl	"	Penryn & Falmouth
Sir Owen Philipps, G.C.M.G.	"	Chester
Sir William H. Raeburn	"	Dumbartonshire
Mr. George Renwick	"	Newcastle-on-Tyne
Sir Thomas Royden, Bt.	"	Bootle
Mr. Samuel Samuel	"	Putney
Sir William Seager	"	Cardiff (East)
Mr. R. B. Stoker	"	Rusholme
Sir R. J. Thomas, Bt.	"	Wrexham

Further, there is a large number of members, directly interested in shipping, who therefore have an expert knowledge of the peculiar conditions of the industry. In addition, there are many members like Mr. Leslie Scott, K.C., who have proved themselves strong exponents of shipping in the House of Commons.

Your Committee cannot omit to notice with regret the absence from the new House of many who have been invaluable supporters of shipping, such as Mr. R. D. Holt, its Vice-President, the Rt. Hon. Walter Runciman, Sir Walter Runciman, Bart., Mr. Walter Rea, and the Rt. Hon. Leif Jones. From the fact that he had not previously taken a leading part on shipping questions special mention should be made of Mr. Leif Jones, whose support on the Education and Emigration Bills proved invaluable.

Special consideration will be given by your Committee to the best means of making effective use of the representation of shipping in the new House.

OBITUARY.

It is with regret that the Committee has to record the death of one of its members, Lt.-Col. Paterson Purdie, which has been announced since this Report was in the hands of the printers.

F. S. WATTS,
Chairman.

28 ST. MARY AXE,
LONDON, E.C.3.
31st January, 1919.

*Addendum to Report of Shipowners' Parliamentary
Committee.*

THE GENERAL ELECTION, 1918.

NEW MEMBERS AND SHIPPING PROBLEMS,

Every candidate at the recent General Election received from the General Manager of the Chamber of Shipping a circular letter, dated December 7th, 1918, pointing out that among the important shipping problems confronting the country are :—

- (a) The securing of adequate compensation from the enemy for the wanton destruction of life and property at sea, including the transfer to the Allies of existing enemy tonnage; and
- (b) The interpretation of the term "freedom of the seas" in such a manner that it will not (as intended by Germany) operate to limit the powers of our Navy in war to maintain the security of the country, or, in peace, place our shipping at a disadvantage as compared with that of other nations.

The letter proceeded to inquire (c) whether the candidate, if elected, would be prepared to do what lay in his power in Parliament to support British shipping, and to assist the country to regain the traditional and predominating position in the shipping world she for so long enjoyed.

Replies to this letter were received from 368 candidates. Of these 144 secured election, and they had practically all returned affirmative answers. A summary of their replies is subjoined :—

NAME.	CONSTITUENCY.	POLITICS.	QUESTION (A).	QUESTION (B).	GENERAL REPLY.
AGG-GARDNER, Sir J. . .	Cheltenham	Co. U.	—	—	British shipping should predominate.
ALLEN, Major W. G. . .	North Armagh.	U.	—	—	Thoroughly with you.
ASTOR, Major Waldorf	Plymouth	Co. U.	Yes	Yes	Strictly in sympathy.
BALFOUR, Sir R. . .	Glasgow	Co. L.	—	—	Fully impressed.
BALFOUR, G. . .	Hampstead	Co. U.	Yes.	Yes	Entirely agree with every word you say.
BARLOW, Sir C. A. M. . .	Salford	Co. U.	—	—	Will do all I can, provided owners treat their men generously.
BELL, Col. W. C. H. . .	Devizes	Co. U.	Yes	Yes	Certainly do all I can.
BELLAIRS, Com. C. . .	Maidstone	Co. U.	—	—	Views quite correct and put with moderation.
BENX, Commander	Greenwich	Co. U.	—	—	Fully convinced of great importance of all the questions.
BENNETT, T. J. . .	Sevenoaks	Co. U.	—	—	Will do all in my power.
BIGLAND, A. T. . .	Birkenhead	Co. U.	—	Yes	Yes.
BLANE, T. A. . .	Leicester	Co. U.	Yes	—	Shall strive to make myself one of the advocates of British Shipping.
BOWYER, Capt.	Buckingham	Co. U.	—	—	Prepared to do all in my power to support British Shipping.
BOYD-CARPENTER, Major A.	Bradford	Co. U.	—	—	Entirely in favour and should support.
BRACKENBURY, Col. H. L.	Louth	Co. U.	—	—	Unreservedly "Yes."

NAME.	CONSTITUENCY.	POLITICS.	QUESTION (A).	QUESTION (B).	GENERAL REPLY.
BREECE, Major	Carnarvonshire	Co. L.	—	—	Favours the proposals.
BRIDGEMAN, W. C.	Oswestry	Co. U.	Yes	Yes	Complete sympathy.
BROWN, T. W., K.C.	North Down	U.	—	—	Support every measure tending to restore British Shipping.
BROWN, J.	South Ayrshire	Lab.	—	—	Shall certainly support.
BUCHANAN, Col. A. L. H.	Coatbridge	Co. U.	Yes	—	Will do all in my power.
BULL, Sir W.	Hammersmith	Co. U.	—	—	Will do all in my power.
BURDETT-COUTTS, W. L.	Westminster	Co. U.	Yes	Yes	In accord with general tenor.
BURDON, Col. R.	Abbey Sedgefield	Co. U.	—	—	Interests of Shipping would have my most earnest attention.
BURN, Col. C. R.	Torquay	Co. U.	Yes	—	Heartily in accord with your views.
BUTCHER, Sir J. G.	York	Co. U.	Yes	Yes	All in my power.
CARR, W. T.	Carlisle	Co. L.	Yes	—	Will actively support any wise measure.
CECIL, Evelyn	Birmingham	Co. U.	—	—	In very general sympathy.
CHILCOTT, Lt.-Com.	Liverpool	Co. U.	—	—	Rely on my full support and sympathy
CHILD, Sir H.	Stone, Staffs.	Co. U.	—	—	Prepared to support British Shipping.
CHURCHILL, W. S.	Dundee	Co. L.	—	—	In fullest sympathy with the views expressed.
CLOUGH, R.	Keighley	Co. U.	—	—	Always pleased to stick up for British Shipping.
COATS, Sir Stuart	Surrey	Co. U.	—	—	Will support such a policy as is outlined.

NAME.	CONSTITUENCY.	POLITICS.	QUESTION (A).	QUESTION (B).	GENERAL REPLY.
COBB, Sir C. ..	Fulham ..	Co. U.	—	—	Entirely in agreement.
COHEN, Major J. B. ..	Liverpool ..	U.	—	—	Pleased to give you all the help I can.
COPE, Major W. ..	Llandaff ..	Co. U.	—	—	Cordially agree : shall do all I can.
COURTHOPE, Major G. L. ..	Rye ..	Co. U.	Yes	Yes	Always endeavoured to support Mercantile Marine.
CROFT, Brig.-Gen. H. ..	Bournemouth ..	N. P.	—	—	Will do all I can to support British Shipping.
CURZON, Viscount ..	Battersea ..	Co. U.	—	—	Pledge myself to do all in my power for British Shipping.
DAVIES, Sir W. Howell ..	Bristol ..	Co. L.	—	—	Do everything I possibly can.
DEAN, Lt.-Com. P. T. ..	Blackburn ..	Co. U.	—	—	Shipping industry will have my full support.
DENISON-PENDER, Capt. ..	Balham ..	Co. U.	—	—	In complete agreement ; will do all in my power.
DENNISS, E. R. Bartley ..	Oldham ..	Co. U.	—	—	Yes.
DEWHURST, Lt.-Com. H. ..	Northwich ..	Co. U.	—	—	Prepared to support British Shipping.
DOCKRELL, Sir M. ..	Rathmines ..	U.	—	—	Will do what lies in my power.
DOYLE, N. G. ..	Newcastle ..	Co. U.	—	—	Agree ; pleased to give general support.
DUNCANNON, Viscount ..	Dover ..	Co. U.	—	—	Careful attention with a view of assisting.
EDGAR, C. B. ..	Richmond ..	Co. U.	—	—	Certainly do all in my power.
ELLIOT, Capt. W. E. ..	Lanark ..	Co. U.	—	—	Anxious to do everything to support.

NAME.	CONSTITUENCY.	POLITICS.	QUESTION (A).	QUESTION (B).	GENERAL REPLY.
ENTWISTLE, Major C. F.					
FARQUHARSON,	Hull	U.	—	—	Will support British Shipping.
Major A. C.	Leeds	Co. L.	—	—	Yes.
FELL, Sir A.	Great Yarmouth	Co. U.	—	—	With you in every word.
GILMOUR, Col. J. ..	Glasgow	Co. U.	—	—	Assure you of my interest.
GORDON, Lt.-Col. A. T.	Aberdeen	Co. U.	—	—	Most certainly.
GOFF, Sir R. Park ..	Cleveland	Co. U.	Yes	Yes	Believes in encouragement of Shipping.
GRAYSON, Col. H. M. ..	Birkenhead	Co. U.	—	Yes	Yes.
GREENWOOD, Sir H. ..	Sunderland	Co. L.	—	—	Gladly support.
GREER, H.	Somerset (Wells.)	Co. U.	—	Yes	Wholehearted support.
GRIGGS, Sir P. . . .	Ilford	Co. U.	—	—	Will do what is in his power.
GUINNESS, Capt. R. ..	Southend	Co. U.	—	—	In general agreement ; will certainly do all I can.
HALL, Capt. D. B. ..	Isle of Wight	Co. U.	—	—	Heartily in agreement.
HAMBRO, Capt. A. V.	Dorset	Co. U.	—	—	Measures suggested will have my best support.
HARMOOD-BANNER,	Liverpool	Co. U.	—	—	Thoroughly in agreement.
Sir J. S.					
HARMSWORTH, Cecil ..	Luton	Co. L.	Yes	Yes	Do everything I can to support British Shipping.
HEBBERT, D.	Watford	Co. U.	Yes	Yes	Will certainly do what lies in my power.

NAME.	CONSTITUENCY.	POLITICS.	QUESTION (A).	QUESTION (B).	GENERAL REPLY.
HICKMAN, Brig.-Gen. . .	Wolverhampton	Co. U.	—	—	Most certainly.
HILDER, Col. F. . .	S.E. Essex	Co. U.	Yes	Yes	Yes.
HILLS, Major J. W. . .	Durham . .	Co. U.	—	—	Prepared to support British Shipping.
HOPE, Col Sir J. A. . .	Midlothian . .	Co. U.	Yes	Yes	Prepared to do all in my power.
HOPE, J. F. . .	Sheffield . .	Co. U.	Yes	Yes	Always rely on me to do all I can.
HOPKINSON, A. . .	Mossley (Lanc.) . .	Co. L.	—	—	Shipping will need sympathetic treatment during reconstruction.
HORNE, Sir R. S. . .	Glasgow . .	Co. U.	Yes	Yes	Every reasonable measure will have my support.
HUDSON, R. M. . .	Sunderland	U.	—	Yes	—
HUNTER, Gen. Sir A. . .	Lancaster	Co. U.	Yes	Yes	Will exert my influence to maintain British Shipping.
IRVING, Dan. . .	Burnley . .	Soc.	—	—	Yes.
JAMESON, Capt. J. G. . .	Edinburgh	Co. U.	—	—	Prepared to support British Shipping.
JODRELL, N. P. . .	King's Lynn	Co. U.	Yes	Yes	Will support British Shipping.
JOHNSTONE, J. . .	Renfrew East	Co. L.	Yes	Yes	Prepared to support British Shipping.
JONES, H. Haydn . .	Merioneth	Co. L.	—	—	All in my power to support British Shipping.
KINLOCH-COOKE, Sir C. . .	Devonport	Co. U.	—	—	Yes, as I have always done.
LAW, A. J. . .	Rochdale	Co. U.	—	—	Full support.
LLOYD-GREAME, Major P. . .	Hendon . .	Co. U.	Yes	—	All in my power.
LOCKER-LAMPSON, G. . .	Wood Green	Co. U.	—	—	Will support British Shipping.
LONSDALE, J. R. . .	Mid-Armagh	U.	—	—	Thoroughly with you.

NAME.	CONSTITUENCY.	POLITICS.	QUESTION (A).	QUESTION (B).	GENERAL REPLY.
LORT-WILLIAMS, J.	Rotherhithe	Co. U.	—	—	Emphatically "Yes."
LYON, L.	Hastings	Co. U.	—	—	Will support British Shipping.
MACDONALD, D. H.	Bothwell	Co. U.	—	—	Entire sympathy and support.
MACQUISTEN, F. A.	Glasgow	Co. U.	—	—	In entire agreement.
MALONE, Col.	Leyton	Co. L.	—	—	British Shipping must be included in the war debt.
MC CALLUM, Sir J. M.	Paisley	Lib.	—	—	Sympathetic.
MCCALMONT, Lt.-Col. R.	Antrim	U.	—	—	No hesitation in supporting.
MCDONALD, Dr. B. F. P.	Wallasey	Co. U.	Yes	Yes	Will do all in my power.
MC LAREN, R.	N. Lanark	Co. U.	—	—	Generally in favour.
MC NEILL, R.	Canterbury	Co. U.	—	—	Entire approval and support.
MITCHELL, W. Lane	Streatham	Co. U.	—	—	Anxious to forward shipowners' interests in every way.
MORDEN, Col. H. Grant	Brentford	Co. U.	—	—	Everything possible.
MORISON, T. B.	Inverness	Co. L.	—	—	Do all in my power.
MOSLEY, Oswald	Harrow	Co. U.	Yes	Yes	Fully alive.
MURRAY, Dr. D.	Western Isles	Lib.	Yes	Yes	Heartily in sympathy.
MURRAY, Major C. D.	Edinburgh	Co. U.	Yes	Yes	Heartily support.
NALL, Major J.	Manchester	U.	—	—	Certainly support.
NELSON, R. F. W. R.	Motherwell	Co. U.	—	—	Will support and assist.
NEWMAN, Major J. R. P.	Finchley	Co. U.	Yes	Yes	Quite in favour.
NEWMAN, Sir R.	Exeter	Co. U.	—	—	Shall support the points raised.
NORTON-GRIFFITHS, Col.	Wandsworth	U.	Yes	Yes	Entire agreement.

Sir J.

NAME.	CONSTITUENCY.	POLITICS.	QUESTION (A).	QUESTION (B).	GENERAL REPLY.
PARKINSON, A. L.	..	Co. U.	—	—	Entirely in support.
PARRY, Major T. H.	..	Co. L.	—	—	Complete sympathy.
PEASE, H. Pike	..	Co. U.	—	—	Will continue to take an interest in shipping.
PERRING, W. G.	..	Co. U.	—	—	In perfect sympathy.
RANDLES, Sir J. S.	..	Co. U.	—	—	All that lies in my power.
RAPER, Lieut. A. B.	..	Co. U.	—	—	Everything in my power.
RATCLIFFE, H. B.	..	Co. U.	—	—	Quite approve.
REDMOND, Capt. W. A.	..	Nat.	—	—	Will do utmost to forward.
REES, Sir J. D.	..	Co. U.	—	—	Ramming home your points.
REMER, J. R.	..	Co. U.	Yes	Yes	Interested in shipping problems.
RICHARDSON, A.	..	Co. U.	Yes	Yes	All in my power.
RUTHERFORD, Sir W. W.	..	Co. U.	Yes	Yes	All in the affirmative.
SAMUEL, Sir H. S.	..	Co. L.	—	—	All in my power.
SEDDON, J. A.	..	Co. U.	—	—	Entirely at one with you.
SHAW, Hon. A.	..	Co. N.D.P.	—	—	—
SHAW, Hon. A.	..	Co. L.	Yes	Yes	Prepared to further these objects.
SPRAT, Col. Sir A.	..	Co. U.	Yes	Yes	Favour removal of restrictions.
STARKEY, J. R.	..	Co. U.	Yes	Yes	Will do what lies in my power.
STOKER, R. B.	..	Co. U.	—	—	Thoroughly in sympathy.
STURROCK, J. L.	..	Co. L.	—	—	Will do what lies in my power.
SURTEES, Brig.-Gen.	..	Co. U.	—	—	—
SUTHERLAND, W.	..	Co. L.	Yes	—	Fully sympathise. Do all I can.

NAME.	CONSTITUENCY.	POLITICS.	QUESTION (A).	QUESTION (B).	GENERAL REPLY.
TALBOT, G. A.	Hemel Hempstead	Co. U.	—	—	Prepared to support.
THOMAS, J. H.	Derby ..	Lab.	—	—	Fully recognise difficulties referred to.
THOMSON, F. C.	Aberdeen	Co. U.	Yes	Yes	Fully alive to importance.
TILLET, Ben. ..	Salford ..	Lab.	—	—	Will assist as much as possible.
TRYON, Major G. C.	Brighton	Co. U.	Yes	Yes	Will do all possible.
WARNER, Sir T. C.	Lichfield	Co. L.	—	—	Do all I can.
WARREN, Sir A.	Edmonton	Co. U.	—	—	Out wholeheartedly to do all in my power.
WESTON, Gen. Sir A. H.	Bute ..	Co. U.	—	—	Everything to bring British supremacy back.
WHEELER, Lt.-Col. G.	Faversham	Co. U.	—	—	Do all I can.
WHITE, Lt.-Col. G. D.	Southport	Co. U.	—	—	Strongly in favour.
WILD, Sir E. ..	West Ham	Co. U.	—	—	Will do everything that can be done.
WILKIE, A.	Dundee ..	Lab.	—	—	Everything I can to support shipping and shipbuilding.
WILLIAMS, Lt.-Com. C.	Tavistock	Co. U.	Yes	Yes	Deepest sympathy.
WILLS, Lt.-Col. Sir G. A. H.	Weston-super-Mare	Co. U.	—	Yes	Of primary importance shipping should be supported.
WILSON, Col. L. O.	Reading	Co. U.	—	—	Will do all in my power.
WINTERTON, Earl	Sussex ..	Co. U.	Yes	Yes	Will do all in my power.
WOOD, Sir J. ..	Stalybridge	U.	—	—	Will do all in my power.
YOUNG, Sir F. ..	Swindon ..	Co. U.	—	—	In entire sympathy.
YOUNGER, Sir G.	Ayr ..	Co. U.	Yes	Yes	Thorough sympathy.

SHIPOWNERS' PARLIAMENTARY COMMITTEE.

REPRINT OF REPORT FOR 1916-17.

The legislation of the year consisting entirely of emergency measures connected with the War, this Committee did not find it necessary to take any action during the Session.

The following measures were passed :—

NAME OF BILL.	DATE OF ROYAL ASSENT.
British Ships (Transfer Restriction) ..	23rd August, 1916.
Finance	19th July, 1916.
Merchant Shipping (Salvage) ..	23rd August, 1916.
Military Service	25th May, 1916.
Naval Prize Procedure	2nd March, 1916.
Registration of Business Names ..	22nd December, 1916.
Summer Time	17th May, 1916.

REPRINT OF REPORT FOR 1917-18.

This Committee, from whose composition no section of organised Shipping is absent and whose functions are principally to deal with Parliamentary measures, has met only three times. This is due to the fact that, while the output of legislation has been voluminous, it has consisted, for the most part, of War and emergency measures.

At the first meeting this year of the Committee, Mr. F. Shadforth Watts was re-elected Chairman and Mr. R. D. Holt, M.P., was elected Vice-Chairman. Mr. H. M. Cleminson, General Manager of the Chamber of Shipping, was appointed Secretary.

The Committee has consisted of the following :—

Ex-officio.

W. H. Raeburn, Esq., Glasgow
 J. Herbert Scrutton, Esq., London
 H. M. Cleminson, Esq., London
 T. Harrison Hughes, Esq.
 W. Miles Moss, Esq.
 Sir Norman Hill
 F. Shadforth Watts, Esq.
 J. A. Potter, Esq., London
 Cuthbert Laws, Esq., London.

London.

Sir Kenneth S. Anderson, K.C.M.G.
 J. J. D. Botterell, Esq.
 C. T. Glanville, Esq.
 C. W. Gordon, Esq.
 Captain H. B. Hooper.
 H. R. Miller, Esq.
 T. W. Noad, Esq.

Liverpool.

Henry Bowring, Esq.
 R. B. Chadwick, Esq.
 Ernest Cook, Esq.
 R. D. Holt, Esq., M.P.
 Charles Livingston, Esq.
 George H. Melly, Esq.

Glasgow.

R. J. Dunlop, Esq.
 James Hardie, Esq.
 Walter Patterson, Esq.
 T. Paterson Purdie, Esq.

Newcastle-on-Tyne.

Sir Walter Runciman, Bart.
 Daniel Stephens, Esq.
 A. Munro Sutherland, Esq.
 Major Robert Temperley.
 J. Stanley Todd, Esq.

Bristol Channel.

H. Wynne Jones, Esq. (Bristol)
 Daniel Radcliffe, Esq. (Cardiff).
 Sir William J. Tatem, Bart. (Cardiff).
 W. Turpin, Esq. (Swansea).
 B. Pardoe Thomas, Esq. (Newport, Mon.)

Manchester.

Captain W. C. Bacon.

Hull.

Wm. Minnitt Good, Esq.
 Captain Henry Samman.

West Hartlepool.

Robert Livingston, Esq.
 Captain T. W. Willis.

Sunderland.

Arthur Ritson, Esq.

Leith.

James Cormack, Esq.

Ireland.

Sir William Corry, Bart. (Belfast).

FINANCE ACT, 1917.—EXCESS PROFITS DUTY.—When Parliament imposed special taxation on War profits, it was recognised as a cardinal principle that to ascertain what profits could fairly be described as War profits, there must be a general survey of all profits made by a Trader during the year, and provision was made for averaging all profits made during the period of the War, so that if, for example, a year which showed profits in excess of the pre-war earnings was followed by years when pre-war earnings were not reached, an average of the years should be struck and the Excess Profits Duty should be levied only on the excess, if any, that appeared after the average was taken. All necessary adjustments were to be made. The Finance (No. 2) Act, 1915, Part 3, Section 38 (3) made provision accordingly.

The Government proposed, by Section 19 of the Finance Bill, that Parliament should do away with this measure in the case of Shipowners. This action was attributable to entirely unfair and ignorant criticism of the profits supposed to have been made by the Shipping Industry, and the measure was introduced at a time when the Government had by requisitionment taken over practically the whole of the Mercantile Marine of the country, so that, unlike any other rival shipowners of allied and neutral countries, British shipowners were prevented from competing freely in the International market, and were compelled to run their Ships for the Government at fixed rates, which in many cases have left the Owners with actual losses. This general requisitionment made it obvious that Owners would, for the most part, be prevented from making excessive profits or earning even up to their pre-war standard of profit, and the measure referred to was framed so as not only to leave Owners with a loss as compared with their pre-war standard, but even to leave them with an actual out-of-pocket loss if incurred.

The public have now become aware of the fact that, despite the Government requisitionment, freights are higher than when the ships were being run by the Owners themselves independently, and the Parliamentary Secretary to the Ministry of Shipping has now been compelled to admit, what the country was unwilling to admit when it came out of the mouths of shipowners, that the most of the freight on British ships was eaten up by actual out-of-pocket running expenses, particularly the cost of War Risk Insurance, War wages, etc. ; that even with the increased freights, the increase in the cost of the food of the people of this country bore no relation whatever to freight, and that the cause for the rise in prices must be looked for in entirely other directions.

The Parliamentary Committee took immediate action and a strong deputation containing representatives from all over the United Kingdom waited upon the Chancellor of the Exchequer just before the second reading. On the second reading not only was the Chancellor's proposal criticised by Shipowner Members, especially Mr. R. D. Holt and Mr. R. P. Houston, but it was most severely criticised by many absolutely disinterested Members of the highest standing, such as the Rt. Hon. Leif Jones, Sir Joseph Walton and Mr. Leslie Scott, K.C., who were neither shipowners nor in any way financially interested in shipping. It is a matter for deep regret that owing, presumably, to restriction of paper, the Press gave little or no attention to the speeches of any but the Chancellor, from whose speech quotations were made of figures which the Chancellor of the Exchequer had given, figures which were absolutely misleading to the public and calculated to create a wrong impression in the minds of the public. The feeling of the House was so much against the Government proposal that Sir Joseph Walton publicly stated that had the Government not intimated that their proposals must be regarded as an essential part of the Bill as a whole, so as to deprive their supporters of freedom of action, the measure would have been thrown out by the House.

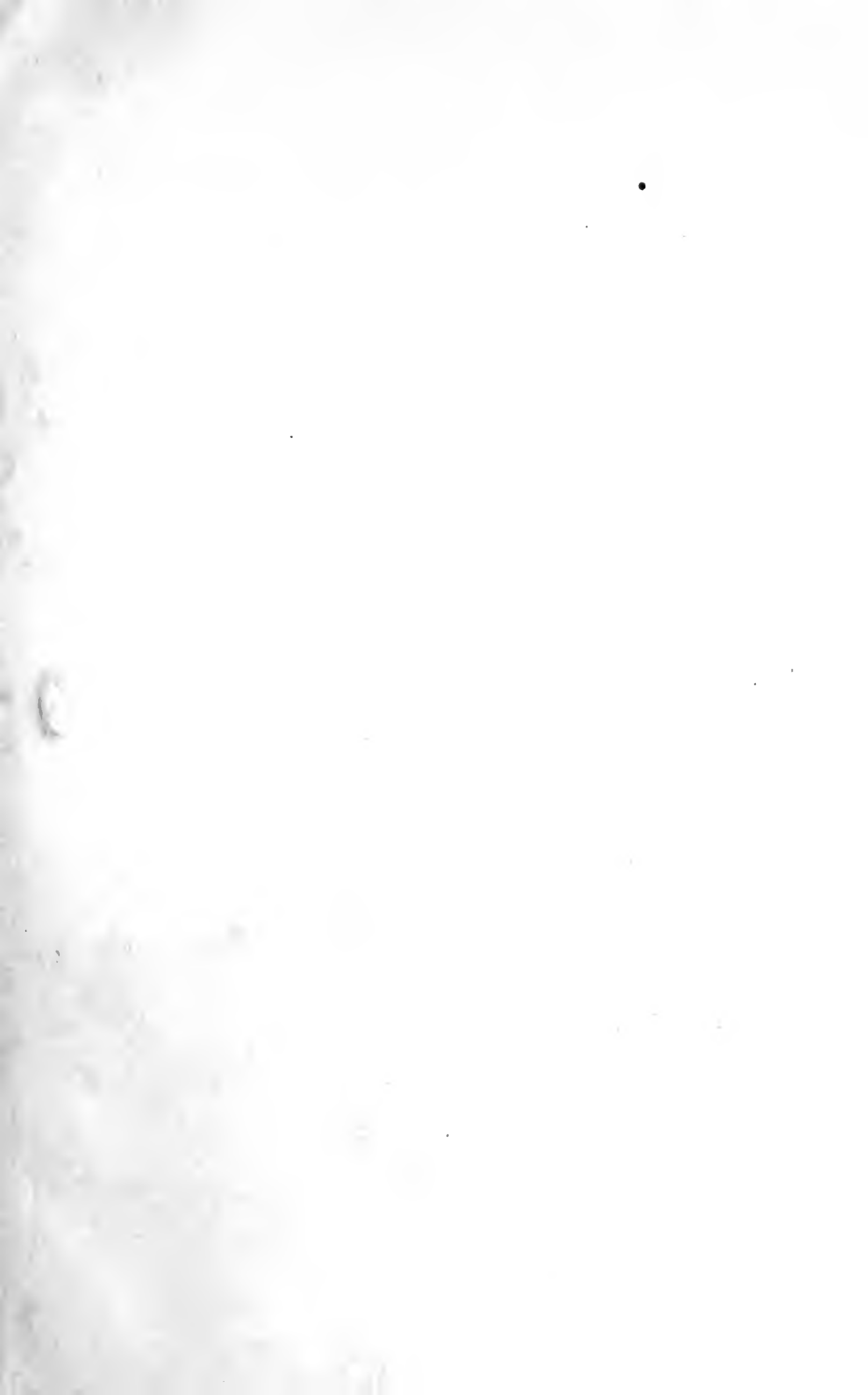
Concessions of considerable value were secured as a result of the action of the Committee.

The principal concession was to the effect that if in any accounting period a shipowner had made an actual loss, or the profits had not reached the point which would have involved the liability to Excess Profits Duty, if the percentage standard had been adopted, then the same amount was, as respects the deficiency or loss or so much thereof as was affected by that

Section, to be repaid or set off under Sub-section 3 of the said Section 38 as would have been repaid or set off if the percentage standard had been adopted.

Shipowners will desire to thank all those Members of Parliament who spoke or otherwise showed an interest in the Committee's action.

Workmen's Compensation (War Addition) Bill.—This Bill was the subject of consideration by the Shipowners' Parliamentary Committee. It was decided to oppose the measure and Sir Norman Hill and Mr. Cuthbert Laws were deputed to attend a meeting of representatives of Employers' Associations. Your representatives urged (1) that the Bill should be opposed, and (2) that if the Government considered that allowances payable under the Workmen's Compensation Act, 1906, should be increased owing to the War conditions, such increase should be regarded as a War measure and be paid out of the Exchequer. It was urged that this was particularly so with regard to compensation payable in respect of incapacity arising before the proposed legislation. The views put forward by Sir Norman Hill and Mr. Laws were unanimously accepted by the meeting, and pressed upon the Government; but, the Bill was nevertheless pressed by the Government, and made law.









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Chamber of Shipping of the
United Kingdom
Annual report and report of
proceedings of the annual
meeting

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